To return or not to return?
The impact of the economic crisis on migrants and their return rate

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Abstract

The economic slowdown that started to be felt internationally in 2008 has put in doubt the effectiveness and the legitimacy of labor force migration policies. In the European case, such consequences had even greater implications since some of the worst hit countries have been exactly those which have adopted a total openness toward the legal immigration field.

Therefore, the economic crisis inevitably called for more restrictive migration policies in almost all European Union countries. Labor admission options have been limited in conditions of declining employer demand and rising social tensions between the locally born and foreign newcomers to the job market.

However, in Italy, the recession and more restrictive immigration policies did not prevent the growth in numbers of the legally residing foreign population, the pace of whose expansion appears unparalleled in Europe\(^1\). Why did that happen and how is the return rate of migrants affected in this case?

The author critically analyzes the development of the transitional measures imposed on labor migrants from the Central and Eastern European countries to the EU-15 members with a particular focus on Italy and how these restrictions influenced Romanians’ migration there.

The author will also present the effects of the economic crisis on migrants’ proneness to return back home while following a qualitative research method by analyzing the data gathered after interviewing made in July 2012 with Romanian workers in Rivoli, a suburb of Turin, Italy, with a significant Romanian community.

The purpose of this thesis is therefore twofold. First, the author explores the relationship between the transitional measures and migratory waves from Eastern Europe from the 2004 and 2007 enlargements respectively. However, the largest part of the thesis consists in the research of the impact the economic crisis had on Romanian migrants in one of the biggest migrant communities in Italy and their propensity to return home as a safety net. The qualitative research shows that the return rate is low and slightly skewed towards the older, higher-educated, generally male interviewees having family back home.

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List of abbreviations

EU – The European Union
EU25 – the European Union comprising 25 Member States as it was before January 2007
EU15 – the European Union comprising the 15 Member States as it was before May 2004
EU8 – the Eastern European member States that entered the European Union in May 2004
EU2 – Romania and Bulgaria-the Member States that were granted access in January 2007
OECD – Organisation for Economic Co-operation and Development
1. Introduction

Current dynamics of international mobility in the context of slow economic recovery that affects both countries of origin and of destination of migrant workers show a complex and multi-dimensional nature of the labor force migration phenomenon. Migration cuts across a variety of social and economic issues that become more acute during times of economic crisis. Migrants are one of society’s most vulnerable groups and one of the first to be affected by the crisis. For instance, sectors predominantly occupied by migrants, such as construction or services have been hit the hardest\(^2\) by the economic crisis, causing job losses and increased unemployment among migrant workers, which leads to a vicious circle for the labor market\(^3\).

It is also important to note the trend occurring in conditions of economic crisis in most countries of destination, namely that the political discourse and policy-making actors tend to put a pejorative and simplified stress on migration. Amid the crisis, this multiplies the chances for the development of hostility towards migrants who are seen as a burden, but also for the adoption of more restrictive immigration policies and protectionist measures in national labor markets, a situation that characterizes both states with most recent migration and traditional destination countries for migrant workers in the European Union and globally.

On the account that the liberalization of migration policy in the enlarged EU could seriously affect the European labor migration, the Accession Treaties of 2004 and 2007 permitted the introduction of ‘transitional measures’ on the movement of workers from the newer member states. The ‘transitional measures’ formula also gives the older EU member states the freedom of choice for a maximum period of seven years to gradually open up their labor market to workers from the new Eastern member states or keep the restrictions in place\(^4\).

Despite the long transition periods incorporated as optional safety nets in the accession treaties, the Eastern Enlargements produced higher than expected migratory flows primarily

directed towards the UK and Ireland on the one hand (with Polish mobility as the biggest in inflow) and Italy and Spain on the other (with Romanian as the largest national incoming stream)\(^5\).

These developments had special significance for Romanian labor migration as many Member States decided to retain or reintroduce restrictions on their labor markets for Romanian workers. Moreover, the economic and financial crisis has direct consequences for Romania and Romanian migrants, since roughly ten per cent of Romania’s population legally lives and works outside its borders\(^6\).

The economic crisis also damaged labor market conditions in the EU countries more rapidly and severely than initially thought. Migrants are particularly vulnerable during crises because they are not usually provided with the same level of employment protection as native workers and therefore they are the first likely to lose their jobs during an economic downturn.

This is certainly the case of Ireland (and to a lesser extent UK), with its unexpectedly early and unrestricted opening to the free movement of workers from the eight East European new Member States in 2004 (a policy that was by contrast rethought in late 2006 prior to Romania and Bulgaria’s accession) but is also the case of Italy and Spain (and more visibly that of Greece and Portugal) which eventually led to the term PIGS to be coined and referred to unstable and fragile economies with unsustainable and overwhelmed labor markets.

On the basis of existing literature, the author will analyze the evolution of the transitional measures for both the first and second Eastern enlargement waves in tight connection with the development of the economic crisis as well as its impact on Romanian migrants in Italy, the country chosen for a case study. The historical background of the migration from Romania to Italy and its trend will be discussed in the next chapters, as well as its economic, social and psychological consequences with use of the most recent evidence. First, the thesis acknowledges the current research by both scholars and the EU\(^7\) that there is no direct link between the transitional arrangements and migrants’ country preferences when


\(^6\) István Horváth, "Romania country profile," in *Focus Migration* (The German Federal Agency for Civic Education and Network Migration in Europe, 2007). Page 4

\(^7\) Dawn Holland et al., “Labour mobility within the EU-The impact of enlargement and the functioning of the transitional arrangements FINAL REPORT-COUNTRY CASE STUDIES,” (2011). Page 7-8
the decision to migrate is made and that migration declines in times of crisis while the return rate increases.

However, the author will argue that regardless of the asymmetry and unevenness of migration within the EU, statistical data and the analysis of answers from the interviews show that migration of Romanians to and from Italy stands out. The next section will explore the reason why despite the adverse economic environment, Romanian workers continue to stay in Italy. The most extensive part is devoted to the analysis of data gathered through qualitative research conducted in July 2012 in Turin with the help received at the Forum Internazionale ed Europeo di Ricerche sull’Immigrazione (FIERI) and its knowledgeable researchers.

The following chapters assess the impact of the transitional arrangements and the economic crisis on emigration and on the decision to return. The author will try to compose a socio-demographic profile of labor migrants and the extent to which social background, professional skills, educational qualifications and network support are important in adapting to the host country’s labor market.

Based on these factors and others, such as the importance of social networks and the performance of migrants on the new labor market, the author will ask whether Romanians’ migration to Italy really pays off since, due to the economic crisis, many have lost their jobs or significantly reduced their income and hence remittances have decreased or stopped, while the motivations to return back home should have increased. The author also analyzes the consequences produced by the crisis on the return migration and provide answers about the extent to which macro (economic) and micro (social and psychological) factors determine migrants’ decision to return home in the context of the current crisis.

The research design is made to fit the research question and the arguments of the whole thesis, which is generally descriptive and explanatory, but also analytical and in depth.

Moreover, the neo-positivist approach used in conducting the interviews helped the author to better understand the decisions made by the migrants and the role played by the economic crisis in shaping their decision to either stay in the selected host country or return home. Insights from the network theory, which describes migration as a snowball effect, are

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8 I would particularly like to thank FIERI’s Director, Prof. Ferruccio Pastore for his pertinent comments on the methodology and Prof. Pietro Cingolani for sharing his PhD research on Romanian migration to Turin with me.

used to explain the phenomenon in a more detailed and individual way, all the while shedding some light on the reason behind why most migrants converge to some specific countries.

2. Research question

This research is meant to fill in a gap found in the academic scholarship on Romanian migration to and from Italy. This is because Romanian migration started to be the object of study for researchers only recently. However, even if contributions made to the research on Romanian migration are increasing nowadays, their nature is still fragmented and lacks adequate attempts at theoretical and practical framework construction. The author will explore this in more detail in a separate literature review chapter.

Hence, the thesis mainly aims to evaluate the impact of the current economic crisis on the Romanian labor migrants to and from Italy. More specifically, the author wants to see how it affected migrant workers and their families’ decision to return to Romania or not. Moreover, a hypothesis the author wants to test is whether Romanian migrants faring rather poorly in Italy prefer staying there, rather than return home and be perceived as defeated by their peers. This will be probed through the qualitative method of interviewing.

Based on statistical data regarding migration, the author will ask whether the East towards West migration in the EU will slow down (the so-called self-regulatory system) as soon as labor mobility restrictions will be entirely removed and analyze the interdependence between this policy implementation and the economic crisis through a historical analysis of these policies at EU level. The thesis will also argue that it is not sufficient to analyze the issue at only the broader EU level but that an in depth analysis of a particularly relevant case study is also needed.

The reason the author selected Italy as a case study is because it is the destination country for over forty percent of Romanian migrants in the EU and Turin because it hosts the second largest Romanian communities in Italy after Rome. The relevance of the case study on Italy determined the author to first try and see if there is a certain pattern in the migratory flows of Romanian workers to Italy and second, to measure migrants’ mobility to and from Italy’s region Piemonte and more specifically Turin and its suburb Rivoli. The author will do

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so in order to probe migrants’ return rate based on a combination of statistical data gathered from different institutions and the twenty semi-structured interviews conducted in July 2012 in Turin. The main focus here will be the strategies migrants use to cope with the impact of the economic crisis on the one hand and whether migration eventually pays off on the other.

The author will afterwards try to determine if the economic crisis is reflected in the propensity of Romanian migrants in Italy to return home and if yes, how much the return rate is influenced by high unemployment, income reductions or better prospects at home. The question is whether migrants return because of worsening labor conditions in the host country or, on the contrary, if the crisis induces a rebound effect for returnees to go back and work for a limited amount of time in the host country because the state of that economy is better than that at home.

3. Method

The author considered semi-structured interviews the best way to approach sensitive issues such as migration and its impact on economic and family situation, as well as the crisis and its effects upon migrants’ decision to return home, send part of the family home, stay put or any other different strategies chosen at family or individual level in order to overcome the economic crisis. A total of twenty interviews were conducted over a period of time of 3 weeks in Rivoli, Turin and the Romanian Orthodox Church Archdiocese charity group San Lorenzo.

Nevertheless, for the analysis of the existing literature and interpretation of data obtained from the interviews, the author had to rely on the content analysis technique. The findings are seldom used for making inferences, but when general statements are made, is because of most of the interviewees with the same variables reply similarly to the questions during interviews.

The author also considered probability sampling as the most adequate method to select the interviewees. A vital characteristic of probability sampling is the importance to create a sample that is representative for the population. As much as the sample is representative of the population, populations are not homogenous, and however confident we might be when making statistical inferences (generalizations) from the sample to the population of study, we might be wrong. Therefore, one needs to make sure when sampling that one creates a sample that is as representative of the population one is interested in studying as it can be.
This means that a sample needs to have the same variations one can identify in the population. If a sample is not representative for the population, it can easily lead to bias\(^\text{11}\).

The maximum variation sampling technique, also known as heterogeneous sampling, is used as a deliberate way to capture a wide range of points of view related to the phenomenon that one is interested in studying. This means that maximum variation sampling is meant to search for variables ranging from those that are perceived as typical to those that are more rarely used. By variables, the author means the units (i.e. people of different age, educational, social and professional background, civil status, having children or not, being with them or not, having a job or not, all this while maintaining a gender balance according to statistics on Romanian migrants currently living in Italy) that are of interest to the researcher.

These variables might reveal a wide range of behaviors, experiences, qualities, situations or outcomes. The main reason behind maximum variation sampling is to get more and deeper insights from a phenomenon by looking at it from all angles. This usually helps the researcher identify common characteristics found across the sample and valuably make use of them\(^\text{12}\).

Although the sampling technique used was successful in the beginning, it resulted in a snowball sampling effect in the end, meaning that the more the author got familiar with the Romanian community in Turin, the interviewees wanted to introduce their acquaintances to her. She also got the chance to interview volunteers working for the above-mentioned charity group of the Orthodox Church in Turin, which consists of two psychologists (married couple), two medical staff, one lawyer and one cultural mediator. Although the initial purpose of the visit was to get in touch with the categories of workers designated to conduct the study on directly (hence, people asking for assistance from the charity group), the author also decided to see how people asking for help are portrayed by a variety of experts. This helped her have a better idea of the needs Romanian migrants in Turin usually go to Church and its charity group for. Moreover, the author met higher-paid and qualified workers who have time to volunteer besides work. This opportunity shed light on the minority of higher-skilled (a term the author is not particularly fond of) individuals, who migrated to Italy for different reasons (to pursue their PhD studies or get a highly paid job in the field) and enjoy a good life there.


The author tried to take different variables and find interviewees that would cover as much of the range of possibilities. For instance, the civil status variable or having children or not are fully exposed. The interviewees were chosen according to the married, single, divorced, being together with the spouse or not status, as well as having children with them or at home, them being dependent or not, born in Romania or Italy, not having children at all and so on. The gender and age balance was also kept into consideration in order to be as representative for the Romanian migrant population in Italy as possible. The reader can below find a distribution of the interviewees according to the variables used for the analysis of data:

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Sex</th>
<th>Highest education level</th>
<th>Civil status</th>
<th>With children</th>
<th>Employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victorîţa</td>
<td>22</td>
<td>F</td>
<td>Economics high school</td>
<td>Single</td>
<td>1 year old</td>
<td>Part-time</td>
</tr>
<tr>
<td>Alina</td>
<td>27</td>
<td>F</td>
<td>Economics high school</td>
<td>Married</td>
<td>3 years old</td>
<td>Full-time</td>
</tr>
<tr>
<td>Anamaria</td>
<td>28</td>
<td>F</td>
<td>Master in Economics</td>
<td>Married</td>
<td>None</td>
<td>No</td>
</tr>
<tr>
<td>Cosmin</td>
<td>29</td>
<td>M</td>
<td>Economics University</td>
<td>Married</td>
<td>None</td>
<td>Full-time</td>
</tr>
<tr>
<td>Ionuţ</td>
<td>30</td>
<td>M</td>
<td>Economics high school</td>
<td>Married</td>
<td>3 years old</td>
<td>Full-time</td>
</tr>
<tr>
<td>Dan</td>
<td>30</td>
<td>M</td>
<td>Technical high school</td>
<td>Married</td>
<td>3 years old</td>
<td>Full-time</td>
</tr>
<tr>
<td>Mihaela</td>
<td>31</td>
<td>F</td>
<td>Economics University</td>
<td>Married</td>
<td>None</td>
<td>Full-time</td>
</tr>
<tr>
<td>Cătă</td>
<td>32</td>
<td>F</td>
<td>Alimentary high school</td>
<td>Married</td>
<td>10+3 years old</td>
<td>Full-time</td>
</tr>
<tr>
<td>Mariana</td>
<td>38</td>
<td>F</td>
<td>Ten grades - minimum</td>
<td>Married</td>
<td>18 year old son</td>
<td>Full-time</td>
</tr>
<tr>
<td>Cristi</td>
<td>44</td>
<td>M</td>
<td>Law school</td>
<td>Married</td>
<td>None</td>
<td>Full-time</td>
</tr>
<tr>
<td>Narcisa</td>
<td>44</td>
<td>F</td>
<td>Economics high school</td>
<td>Married</td>
<td>25+19 years old</td>
<td>Part-time</td>
</tr>
<tr>
<td>Doru</td>
<td>45</td>
<td>M</td>
<td>Technical high school</td>
<td>Married</td>
<td>25+19 years old</td>
<td>No</td>
</tr>
<tr>
<td>Gabriela</td>
<td>45</td>
<td>F</td>
<td>PhD at Turin University</td>
<td>Married</td>
<td>None</td>
<td>No</td>
</tr>
<tr>
<td>Cătălina</td>
<td>46</td>
<td>F</td>
<td>Law school</td>
<td>Married</td>
<td>22+20 years old</td>
<td>Full-time</td>
</tr>
<tr>
<td>Mirela</td>
<td>47</td>
<td>F</td>
<td>Pedagogical school</td>
<td>Divorced</td>
<td>20 years old girl</td>
<td>Full-time</td>
</tr>
<tr>
<td>Cristian</td>
<td>49</td>
<td>M</td>
<td>Engineering University</td>
<td>Married</td>
<td>30+25 years old</td>
<td>Part-time</td>
</tr>
<tr>
<td>Mi</td>
<td>52</td>
<td>F</td>
<td>Economics high school</td>
<td>Divorced</td>
<td>29 year old son</td>
<td>Full-time</td>
</tr>
<tr>
<td>Ioana</td>
<td>54</td>
<td>F</td>
<td>Economics high school</td>
<td>Married</td>
<td>32+27 years old</td>
<td>Full-time</td>
</tr>
<tr>
<td>Adrian</td>
<td>54</td>
<td>M</td>
<td>Technical high school</td>
<td>Married</td>
<td>32+27 years old</td>
<td>Part-time</td>
</tr>
<tr>
<td>Elena</td>
<td>56</td>
<td>F</td>
<td>Ten grades - minimum</td>
<td>Married</td>
<td>5, but 2 at home</td>
<td>No</td>
</tr>
</tbody>
</table>
For a more detailed overview of the work history from before and after migrating, see below:

<table>
<thead>
<tr>
<th>Total</th>
<th>Age range</th>
<th>Gender balance</th>
<th>Educational level - highest</th>
<th>Work experience at home before departure</th>
<th>Employed (if yes, under qualified) now?</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>20-29</td>
<td>3F+1M</td>
<td>Master degree</td>
<td>No</td>
<td>To a great extent</td>
</tr>
<tr>
<td>5</td>
<td>30-39</td>
<td>3F+2M</td>
<td>University</td>
<td>Yes</td>
<td>To a lesser extent</td>
</tr>
<tr>
<td>7</td>
<td>40-49</td>
<td>4F+3M</td>
<td>PhD</td>
<td>Yes</td>
<td>To a greater extent</td>
</tr>
<tr>
<td>4</td>
<td>&gt;50</td>
<td>3F+1M</td>
<td>High school</td>
<td>Yes</td>
<td>Not so visible</td>
</tr>
</tbody>
</table>

The in-depth interviews followed the structure of the interview guide (see Appendix) and addressed the effects of the crisis on migrant workers and the mechanisms the former use to get through the crisis, to remain active on the labor market and earn enough for themselves and their families back home. Some questions were also focused on the intent of returning home in response to the crisis, migration history, support networks and reasons for their decision to work abroad, remittances and contact with the country, but also subjective perceptions on how different economic sectors were affected at home and in the host country.

Although qualitative research doesn’t allow for a complete evaluation of the connection between the return rate of the migrants and the economic crisis, my research offers similar information as from the quantitative research conducted at national level by a reputed Romanian sociologist13 about the reasons to migrate on one hand and of return on the other.

The insight gathered through the in-depth interviews regarding the propensity of return of Romanians will be confronted with the existing literature and the information conveyed through different studies by several authors and the data collected from various statistics institutions.

The fact that a genuine qualitative research tends to share the assumption that interview responses accurately reflect the experiences of interviewees14 allows for a thorough, in-depth analysis of the strategies adopted by migrants to either stay put and face the economic crisis or return home either victoriously or defeated. However, the author will refrain from making inferences (or will only marginally do so) since this method will be used

only for testing my hypothesis that no matter how badly affected by the crisis, Romanian migrants having a rather poorly paid job in Italy prefer staying there, even if it is under their qualifications, rather than return home and take it all over again from the start. The propensity to return increases with having close family still at home, having some savings to be able to start a business, with age (if the retirement age is attained and the income level is significantly highly-valued at home in comparison with Italy), the country granting various benefits such as pension or preferred loan rates to start a business or remaining unemployed for longer periods.

The reason to choose the case study for the research consists mainly in the fact that the case study is useful for both generating and testing hypotheses, while it is not limited to these research activities alone\(^\text{15}\). The perception that one cannot generalize on the basis of a single case is normally considered to be devastating to the case study itself as a scientific method\(^\text{16}\).

However, the author does not assume an absolute truth after conducting this research and its purpose is far from being a generalizing one. The in-depth interviews are definitely not meant to give such a result. Nevertheless, since quantitative data is scarce or missing, the qualitative one the author chose will try to make up for it since it is based on the perceptions of interviewees on issues that are in fact closer to them than to the many statistics institutions.

4. Transitional arrangements

This chapter is meant to familiarize the reader with the various migration instruments found at the EU level. A particular focus is given to the transitional measures the ‘older’ Member States introduced for the Central and Eastern European enlargements, fearing that, when the ten countries that joined the EU in May 2004 and January 2007 respectively, masses of migrant workers will invade Western labor market economies with their cheap labor force\(^\text{17}\). The literature on the subject is very rich\(^\text{18}\), but the author will focus on the historical background of these policies and how did their changes over time impact migrants’ preferences regarding countries of destination. The author will then have a closer look at Italy.

\(^{15}\) Bent Flyvbjerg, "Five Misunderstandings About Case-Study Research," *Qualitative Inquiry* 12, no. 2 (2006).
\(^{16}\) Ibid. Page 224
\(^{17}\) Heather Grabbe, "Opening up the business opportunities of EU enlargement," *European Business Journal* 13, no. 3 (2001). Page 128
\(^{18}\) See for instance Brücker, Constant, Kancs and Zimmerman to list just a few.
Different EU member states introduced different schemas for the transitional measures lasting up to ‘2+3+2-years’ (from 1 May 2004 until maximum 30 April 2011 for EU8 and from 1 January 2007 until 31 December 2013 for EU2), which resulted in a highly complex and heterogeneous set of international labor migration policy instruments within the EU19.

Moreover, 2012 marked the beginning of the last transition phase for the EU2. All EU countries for which Romanians and Bulgarians needed a work permit had to notify the Commission of their intention to continue imposing restrictions for the remaining of the transition period, until the end of 2013. Out of the ten countries that continued adopting the +2 formula, only Italy has eventually dropped out, leaving the remaining nine states (Austria, Belgium, Germany, Ireland, France, Luxembourg, Malta, the Netherlands and United Kingdom) to continue the restrictions in place plus Spain from July 2011 only for Romanians.

The migration policies adopted by the EU15 relating to the free movement of workers from the first wave of the Central and Eastern European enlargement can be classified into four categories, namely liberal, semi-liberal, semi-restrictive and restrictive.

A liberal migration policy, by opening their labor markets, was chosen by Ireland, Sweden and the United Kingdom. A semi-liberal migration policy, by removing restrictions until 2006, was chosen by Finland, Greece, Italy, Portugal and Spain. A semi-restrictive migration policy, by gradually lifting the restrictions between 2006 and 2009, was chosen by Belgium, Denmark, France, Luxembourg and the Netherlands. A more pessimistic and restrictive migration policy, which kept the restrictions up in place until 30 April 2011, was chosen only by Austria and Germany20.

As for the second wave of the Eastern enlargement, from accession on 1 January 2007, only ten of the 25 Member States immediately opened their labor markets for Bulgarian and Romanian workers: the Czech Republic, Cyprus, Finland, Estonia, Latvia, Lithuania, Poland, Slovenia, Slovakia and Sweden. Also, no restrictions on labor market access apply between Romania and Bulgaria. After the Commission had presented its report on the functioning of the first two years of the transitional arrangements on 18 November 2008 and the Council had reviewed the functioning of the transitional arrangements, Greece, Spain, Hungary and

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19 Kancs, "Labour migration in the enlarged EU: a new economic geography approach." Page 173
20 Ibid. Page 174
Portugal decided to open their labor markets and apply EU law on free movement of workers from 1 January 2009. Denmark followed suit from 1 May 2009 and more recently, Italy since 1 January 2012\(^{21}\). In addition, Bulgarian workers also enjoy full rights to free movement in Spain, unlike Romanian workers, after Spain invoked the safeguard clause in relation to Romanian workers to re-introduce restrictions for their labor market accessibility\(^{22}\).

Following the request from the Spanish authorities from 28 July 2011, the European Commission has approved Spain’s request to restrict its labor market to Romanian workers until 31 December 2012 due to serious disturbances on its labor market economy\(^{23}\).

As for the countries in question, neither Bulgaria nor Romania apply reciprocal measures on labor market access regarding workers from any of the EU25 Member States.

Although the condition to keep the restrictions in place for the last phase of the seven years formula was to deal with serious disturbances on the national labor market, few of the countries that applied for a renewal of the measure in January face acute economic shortages. This denotes the popular and political fear still present in some Member States regarding the invasion from the East, where cohorts of migrants will come to steal the jobs from the natives. Regardless of the European Union’s efforts to show\(^ {24}\) that no serious disturbances were found at the EU level, it failed to ensure equal opportunities for workers from Romania or Bulgaria.

4.1 The case of Italy

Italy is an interesting case because even if it opted after the two Eastern enlargements for the adoption of the transitional arrangements limiting access for Eastern Europeans to the Italian labor market, (although in entirely different forms)\(^ {25}\), this has not affected its attractiveness for workers coming first from the EU8 and then EU2 Member States. The author will particularly focus in the next chapters on Romanian migration to and from Italy.

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\(^{24}\) European Commission’s DG on Employment, Social Affairs and Inclusion reports on labor mobility in the EU, http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=1108&furtherNews=yes, accessed May 30\(^{th}\)

The policies adopted in 2004 called for an initial two-year transitional period when nationals from the new member states were still required a work permit in order to get hired in Italy, while the admission was subject to quantitative caps through the notorious quotas system. No ceilings were imposed for self-employment or EU8 nationals already living and working in Italy before May 2004. In order to make sure that the EU8 nationals were preferentially treated, annual quotas were set. Hence, there were 79,500 new entries of EU8 workers for seasonal and non-seasonal employment in 2005 with 170,000 new ones in 2006.

Moreover, the admission procedures for EU8 workers were simplified and once admitted, long-term stay permits (Carta di soggiorno) were granted. However, the available quotas were just partially used since only 45,000 work permits were issued by June 2005. Most of them went to Poles (around 24,000), followed by Slovaks and Hungarians. Overall, inflows from the 2004 enlargement member states and their impact on the labor market were limited. The transitional restrictions were finally lifted by the Prodi government in July 2006.26

The transitional arrangements adopted for the 2007 enlargement wave were considerably modified, due to both the 2004 enlargement wave experience and the particularities of the Romanian community in Italy. Between 2002 (when the visa regime was lifted for Romanians to enter the Schengen area) and 2012, the number of Romanians legally residing in Italy increased by around ten times.27

Since Romania joined the EU in 2007, its citizens are no longer required permits in order to enter Italy (visto d’ingresso) or reside there (permesso di soggiorno), but if they wish to stay for more than three months, they must be registered with the ‘Anagrafe del Comune di residenza’, the register office of each Italian municipality. However, registration is made on the basis of proving status as student, worker, to family reunification purpose or ‘convivenza’.

However, in the Southern European countries, including Italy, being an unauthorized migrant did not seem to have a strong impact on employment, since a lot of Romanian migrants were recruited informally, particularly before accession to the European Union, but also after that. Most registered migrants were the ones having a job, while the undocumented ones didn’t have a residence permit, but were working informally, under poor conditions. This

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26 Ibid. Page 36
27 Ibid. Page 36
is mainly the reason why statistics on unemployment rates among Romanians might be smaller than those of Italians. This, however, does not make it easier for migrants to meet the employment requirements to enter legality. In countries where the informal (particularly labor) economy is well established, regularization programmes, such as the ones detailed below, may even create incentives against legalization. For instance, a previous Italian law punished employers more severely for irregular employment of legal rather than illegal migrants. Hence, regular migrants are found only where there is a demand for regular labor.

The quota set with yearly planning decrees (Decreto-flussi) for non-seasonal admissions was lowered from 170,000 in 2007 to 150,000 (all explicitly limited to the domestic and personal care sectors) in 2008. In response, since employment was declining as immigrant numbers rose, the Italian government agreed on a complete suspension of new entries for economic purposes in 2009 and 2010. However, this did not prevent some selective differentiation, like for instance, permission for entry of hospital and household workers. After a two years’ stop to new entries other than seasonal, it was only at the end of 2010 that the Italian labor admission policy was set in motion again. With a decree signed at the end of November 2010, Prime Minister Berlusconi officially declared the measure for new admissions open and set ceiling for a maximum of 104,080 recruitments of EU workers.

Italy also introduced more restrictive criteria for family reunification in October 2008. Income requirements raised to the minimum social benefit (EUR 5,317 in 2009), plus 50 per cent for each family member brought along. Adult children or parents over 65 could only be brought in if they have serious health problems that make them dependent, and insurance must be purchased, a rule which was already in place but is now subject to additional proof. The requirements for EU citizens to enroll in the population registry, which entitles them to social benefits, were also changed, with a higher income threshold imposed, based on social benefits sum, plus 50 per cent for each family member. This decision was taken in response to the general concern that unemployed immigrants could make use of the social benefits through the so-called welfare tourism.

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28 Illegal here is meant to put a stress on the category of undocumented non-EU nationals residing in the EU.


30 F. Pastore and C. Villosio, Nevertheless Attracting... Italy and Immigration in Times of Crisis in Nieuwenhuysen, International Migration in Uncertain Times. Page 124

In July 2009, when the crisis worsened, the Parliament adopted a major reform on immigration law in the framework of a vast and heterogeneous ‘security package’32.

The package is in fact a combination of different laws and decrees, with regards to public safety, that modify national legislation to narrow EU law on the freedom of movement of citizens of any Member State, as well as family reunion and refugee laws. It was seen as a legal guile of the authorities in order to manage immigration and particularly control the illegal one, focusing mainly on Roma-inhabited nomad camps outside big Italian cities33.

The initiative, proposed by the Council of Ministers in June 2008 with the joint signatures of the Prime Minister Berlusconi (Partito della Libertà-PDL) and of both the Ministers of the Interior (Maroni, Lega Nord-the Northern League, renowned for its extreme right and separatist discourses) and that of Justice (Alfano, PDL) did not initially respond to the economic crisis, and even during the long-lasting parliamentary procedure, the worsening condition of the Italian economy was not one of the main drivers of the debates34.

The main reason behind it was discriminatory speech against particularly non-EU illegal immigrants, but not only, and a clear example would be the Roma nomad camps’ attacks, that resulted in some highly controversial pieces of legislation which rely on two fundamental changes:

a) the reframing of illegal entry and non-authorized stay, seen now as criminal offences to be punished with a pecuniary sanction, imprisonment or with immediate expulsion

b) the systematic weakening of the status of legal immigrants through (among else) the enactment of a points-based system for the renewal of stay permits and more restrictive housing requirements for family reunions35.

32 Law decree No. 94, entitled ‘Disposizioni in materia di sicurezza pubblica’ or ‘Measures in the field of public security’ in F. Pastore and C. Villosio, Nevertheless Attracting...Italy and Immigration in Times of Crisis in Nieuwenhuysen, International Migration in Uncertain Times. Page 125

33 Anca Domnar Oprisor, “When the East Goes West: Romanian Migrants in Italy or How to Deal with Mobility Issues in the EU 27,” Romanian Journal of Political Science 9, no. 1 (2009). Page 35

34 F. Pastore and C. Villosio, Nevertheless Attracting...Italy and Immigration in Times of Crisis in Nieuwenhuysen, International Migration in Uncertain Times. Page 125

The transformation of the new Italian Penal Code and the criminalization of illegal immigration make the imprisonment of illegal migrants possible for a period of time between six months and four years. Hence, the status of illegal migrant becomes an aggravating circumstance, resulting in the possible conviction of an individual with an irregular status for a period of time three times longer than that of an Italian citizen having committed the same crime. In addition, the new Penal Code was given the power for the automatic expulsion of EU citizens convicted to sentences of more than two years (previous conditions referred just to third country nationals and to a threshold of ten year convictions for allowing expulsion).36

A mandatory condition for EU citizens to be granted a residence permit to reside in Italy for more than three months consists in proving that one has sufficient means and adequate housing conditions for living. Moreover, failing to register with the authorities or to request a residence permit after the ninety days as tourist ‘is considered per se an imperative reason of security which could result in denying the right of residence and to work in Italy’37. However, when it comes to the extension of an already obtained residence permit, the Italian law grants a six month grace period38 for job search after former employment has ended. Moreover, the current Government, trade unions and immigrant associations are pushing for a one year extension. For those who cannot prove employment, the only options are to legally stay for 90 days, return home or overstay as an unauthorized immigrant, which is usually what happens39.

Although restrictions on the full access to the Italian labor market have been imposed for Romanian and Bulgarian workers in some sectors of activity, employment in sectors in need of workers such as agriculture, tourism, domestic and care services, building and metal industries, as well as in higher skilled professional activities was not subject to any limitation.

This ‘positive discrimination’ came however at the same time the crisis struck Italy and the labor force market was already overwhelmed with unemployed workers from those sectors, who benefitted in few cases of unemployment services while waiting for an opportunity of work to rise. This is the explanation for the vicious circle mentioned in the introduction of the thesis which mainly refers to putting a burden to an already weak system.

36 Domnar Oprisor, "When the East Goes West: Romanian Migrants in Italy or How to Deal with Mobility Issues in the EU 27." Page 35
37 Ibid. Page 36
38 Papadopoulou, "Regularization programmes: an effective instrument of migration policy?." Page 7
39 Salis, "Labour migration governance in contemporary Europe. The case of Italy." Page 21
Undoubtedly, these are precisely those sectors in which EU2 nationals are mostly employed in even nowadays. Additionally, restrictions such as the need to request a work permit were applied only to the first employment and they were not subsequently applied for future work experiences. Due to the economic crisis and its serious impact on the Italian labor market\(^\text{40}\), the transitional arrangements were lifted only after the second phase of the seven years formula, only after five years from the EU2 enlargement, namely on 1 January 2012\(^\text{41}\).

Overall, it can be concluded that even with weak economic recovery in Italy, sectorial labor shortages will arise and more efficient migration strategies will be required, despite a deteriorating political environment. The slow economic recovery does not however make Italy less appealing and does not prevent it from increased flows of migrating people\(^\text{42}\).

The 2011 report and its statistical annex\(^\text{43}\) that the EU commissioned show that there is no evidence of a direct link between the magnitude of labor flows from the EU2 Member States and the transitional arrangements in place. For instance, the impact of opening the labor market early (in Finland, Sweden and most of the countries that joined the EU in 2004) to workers from Bulgaria and Romania has been very limited while the countries that continued to use transitional measures have received significant inflows since 2007. For example, the number of Romanians living in Italy nearly doubled from 1 January 2007 to 1 January 2008\(^\text{44}\).

This reflects the entry in the European Union and the regularization programmes of 2007 and 2008, as migrants illegally residing in Italy cannot be inscribed in the municipalities' registers. However, based on unofficial data, the majority of the population that was granted an open-ended labor contract then was unofficially already residing there before accession\(^\text{45}\).

Some of the reasons Italy became such an attractive destination country are due to its geographical proximity, but also because of the cultural and linguistic similarities. This made Romanians converge to Italy, establish a dense network of migrants and accelerate migration.

\(^{41}\) Salis, "Labour migration governance in contemporary Europe. The case of Italy." Page 35
\(^{42}\) Nieuwenhuysen, \textit{International Migration in Uncertain Times}. Page 4
\(^{43}\) Holland et al., "Labour mobility within the EU-The impact of enlargement and the functioning of the transitional arrangements FINAL REPORT-COUNTRY CASE STUDIES."
\(^{44}\) Ibid. Page 12
\(^{45}\) Ibid. Page 12-Italy’s case study
Moreover, due to the above-explained network effects, the transitional arrangements can print permanent effects on the patterns of migration. This may be of particular importance in host countries where the working age share of the population is in decline such as in the case of Italy and the need for the contributions paid by the active population are vital to the economy. Conversely, countries that retain restrictions and face the same aging problems are expected to have a lower level of potential economic development in the long run as a result.46

Allowing full labor market access was not found of having significant counter-productive effect on neither the host, nor the sending country.47 However, an increased risk of brain drain in some sectors, such as healthcare, did nevertheless arise in the sending country.48

Statistics show that EU migrants are more likely to return to their home countries when they lose their jobs.49 This return has a mostly temporary feature since migrants’ strategy aims at returning to the country of destination if economic opportunities or a labor market recovery arise. Beyond the statistics showing the number of returning migrants in certain Member States, there are no in-depth studies describing the phenomenon. Important data is missing, such as exactly how long the duration of the return is, if it is a temporary or permanent one and whether it is caused by the crisis or it is a natural evolution of migration cycles, which are only exacerbated by the crisis.50 What it is known is that, after periods of time spent abroad, migrants partially or entirely reach their objectives and the return rate increases significantly. It is very likely that this return is not only temporary.

It is also important to notice that the crisis had mixed results on the gender composition of migrants. If before the crisis, male migrants were predominant, after the crisis struck, female migration has increased, largely due to rising unemployment in sectors where the workforce is predominantly male (constructions) and maintained demand for labor in sectors mainly occupied by females such as ‘domestic’ work (house, elderly and child care).51

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47 Holland et al., "Labour mobility within the EU-The impact of enlargement and the functioning of the transitional arrangements FINAL REPORT-COUNTRY CASE STUDIES." Page 4
50 Koehler et al., "Migration and the economic crisis in the European Union: Implications for policy." Page 15
51 ibid. Page 11
A defense mechanism that migrants could make use of during the crisis would be self-employment and entrepreneurship. Therefore, the evolution of this indicator can provide valuable information on the consequences of economic contraction on migrant workers and their decision to not return home. Statistics\(^5\) show that self-employment is higher among migrants than among the native workers with the same level of education and qualification\(^6\).

Empirical research shows that the relationship between economic cycles and self-employment rate is though unstable. However, other studies show that self-employment is one of the main strategies migrants make use of in order to avoid unemployment, confirming the hypothesis that self-employment is the answer migrants choose in times of labor market difficulties\(^7\).

The OECD report\(^8\) on the impact of the crisis on migration finds that there is little evidence to support that this behavior is successful during an economic downturn. Referring to Italy, the number of self-employed migrants increased slightly in 2008 compared to 2007\(^9\). However divergent the data are, this means that some migrants adopted this strategy to cope with the economic crisis since there are no restrictions for self-employed migrants in the EU.

The purpose of this chapter was to familiarize the reader with the background of the implementation of the transitional agreements and to particularly bring forward the development of measures taken by Italy at the moment of the two Eastern enlargements. A particular focus is put here on how these policies affected Romanian migration to Italy. It is rather peculiar though that even despite these restrictive policies, Romanians converge there. The author focuses in the next chapter on the reasons that determine migration in the first place, while a stress on the Romanian migration to Italy will be put so as to shed light on why there is such a large diaspora of Romanians there and why, despite the adverse economic milieu, it still attracts large numbers of Romanian workers who seem to not mind taking up under qualified jobs or stay unemployed for extended periods of time and not return home.

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53 According to the Eurostat communication, one in six workers in the EU is self-employed. The highest rates of self-employment are registered in the Southern Member States. 29% of the population is self-employed in Italy


56 Koehler et al., "Migration and the economic crisis in the European Union: Implications for policy." Page 21
5. Why do people migrate?

It should be noted from the very beginning that there is no such thing as a general theory of migration. From the multitude of theories that attempted to explain a complex phenomenon such as migration, the author felt that the ‘push and pull’ and the human capital models, together with the neo-classical economic theory and the network model are the most in line with the purpose of this thesis. Reasons regarding the space a thorough overview of all the theories capable of explaining (parts of) the migration phenomenon were also taken into consideration for leaving some of the theories out, but the author apologizes by stating that not all of the theories are able to fulfill the socio-economic diagnose of Romanian migration.

The migration decision refers to a multitude of reasons and is generally the result of a cost-benefit analysis, influenced by positive and negative factors. However, the mostly economic drivers of migration are often divided into the so-called ‘push and pull’ model. This identifies a number of negative (push) factors in the country of origin that determine people to migrate combined with a number of positive (pull) factors that attracts migrants to a country.

Push and pull factors target at large differences in regional disparities of prosperity. Therefore, differences in earnings, unemployment rates, costs of living, public goods and welfare systems are important determinants of a move. Pull factors can be the prospects of a better pay and the availability of jobs in the destination country. Push factors can be the high unemployment rate or low income in the home country. There is an increased potential for migration if there is a combination of push factors in one country and pull factors in another.

Demand-pull and supply-push factors can be compared to battery poles. They are both necessary to get started.

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58 The new economics of migration, world system theory and dual labor markets model are also aiming to explain the initiation of migration, but from a mainly economic point of view, which is not the aim of this thesis.
60 Alexandros Tassinopoulos and Werner Heinz, *To move or not to move: migration of labour in the European Union*, ed. Institut für Arbeitsmarkt- und Berufsforschung (Institut für Arbeitsmarkt- und Berufsforschung der Bundesanstalt für Arbeit, 1999). Page 7
But the incentive to migrate does not only depend on the differences between income levels in the country of origin and the destination country. The relative level of pay and its purchase power in the country of origin are equally important. If the standard of living is above the poverty line and reaches a socially acceptable level, the difference in income must be considerable in order to cause the migration of labor force. Otherwise people tend to stay.\textsuperscript{61}

Moreover, the geographic and cultural proximity between the home and receiving countries is also an important factor as the decision to move is also affected by the psychological costs of moving arising from the separation from family and friends. According to the human capital model, the proneness to migrate decreases with age, which reflects the lower added value gained from moving for older people. Individuals with higher education usually exhibit a higher probability to migrate, mainly because higher education reduces the risks of migration through a higher employability rate.

However, human capital acquired at home is not always fully transferable to the host country. The outcome is that the lower the international transferability of skills is, the wider the cleavage in earnings between the countries and the higher the income disadvantage of the migrants at the time of migration. Nevertheless, the longer the periods of residence in the host country, the more migrants invest in specific skills looked for in the receiving country and adapt the set of skills acquired in the home country (i.e. learning the language or dialect).

Consequently, the skills migrants acquire usually complement the ones of the natives, and the earnings of the migrants come close, but seldom or never reach those of the natives.\textsuperscript{62}

Economic migration theory and its neo-classical approach\textsuperscript{63} lead us to expect that the existing differences in income levels and unemployment rates between countries should be a more than sufficient incentive for many individuals to leave their home-country and migrate.

The theories, which argue that migration from countries with less lucrative job markets, and hence pays, to countries with more productive ones, is in close connection with the idea of European integration. The premises to be taken into consideration are that workers know about the job opportunities in other countries and are willing to migrate, and of course,

\textsuperscript{61} Zimmermann, "European Labour Mobility: Challenges and Potentials." Page 429
\textsuperscript{62} Constant, "Immigrant Performance and Selective Immigration Policy: A European Perspective." Page 95
\textsuperscript{63} Borjas, Bauer and Zimmerman are the three authors who have done extensive research on the subject and who were mainly used for the literature review of the classical and neo-classical theories of migration.
that no specific migration constraints like work and residence permits, or in a broader sense, the recognition of educational and professional qualifications, cultural differences, living and housing conditions or language barriers exist. However, as explained above with the human capital model, these ‘technicalities’ usually get in the way of a successful migration for both migrants and the country of destination.

Legal barriers, but also cultural ones, also affect inflows. As work permits are only to a small extent still required for EU nationals and as further legal barriers to mobility have been more or less abolished within the EU, this argument is of less importance for inter-European migration. This does not mean that no impediments to labor migration exist within the EU, such as administrative barriers or those existing due to different tax and social security systems. The level of social protection supplied can therefore be a key factor in reducing the propensity to leave. At the same time it may increase the proneness of migrants to take up residence in another country if the social security system (especially pensions one) is better. Economic theories also predicted that these movements would occur from low-wage to high-wage countries until income differences leveled out. Thus the incentive to migrate would disappear and migration would stop. In reality neither did wages level out in the EU, nor did movements between the Member States come to a halt.

Moreover, return migration has been for too long interpreted with the help of macroeconomic theories, with their too rigid and too careless paradigms about the complexity of social phenomena. Therefore, return migration was portrayed as a failure of the economic rationale or on the contrary, as one of the main reasons for the development of communities of departure and overcoming of social differences between the home country and that of destination.

Most migrants migrate within the network context, which results in the birth of (ethnic) clusters in the host country. These are dense networks of migrants that act as drivers for further migration. They can also act as shields of protection of migrants’ cultural heritage.

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64 Tassinopoulos and Heinz, To move or not to move: migration of labour in the European Union. Page 7
65 Ibid., Page 11
‘The mere existence of networks significantly alleviates the risks and costs and accelerates movement’\textsuperscript{67}.

However, there are also disadvantages of migration into the network model. It creates a sort of immobility as it regards migration to other countries of destination and it makes people converge to the same place, which at least in time might prove to be incapable of hosting too many migrants coming from the same background and having similar set of skills. Adversely, migrants tend to appreciate instability as it allows them to live a stable life\textsuperscript{68}.

5.1. History of Romanian migration to Italy

Unofficial estimates on the Romanian diaspora vary from two to three million emigrants. The majority of labor migrants residing nowadays outside Europe left the country after the fall of communism, while the biggest share of Romanian migrants currently living and working in the EU emigrated after 2002 following the access to free circulation within the Schengen area. This resulted into a more disparate migration field, with outflows targeting several destinations and a more balanced share of different streams among total emigration\textsuperscript{69}.

While Romanian migrants still had to provide some guarantees for their trip abroad (booking of accommodation in the destination country, 500 Euros in cash or an invitation proving financial support in the country of destination), the fact that entry visas were not required anymore halved\textsuperscript{70} the costs of migration (up to 2002, visa costs were around 1000 Euros). This had consequences not only for the size of migration, but also for its composition.

Before 2002, migration tended to be very ‘elitist’ as only those with a good economic and social (network) capital had the know-how to access the information and get the help needed in the migration process and could afford to pay. Adversely, after 2002, migration became easier as people with different economic and social backgrounds could afford to emigrate\textsuperscript{71}. The liberalization of migration policies within the EU for Romanians came though after 2007, but with certain peculiarities. These affect both the composition of migration and also the geographical preferences of migrants.

\textsuperscript{67} Zimmermann, "European Labour Mobility: Challenges and Potentials." Page 429
\textsuperscript{68} Ibid. Page 426
\textsuperscript{69} Sandu, "Dynamics of Romanian Emigration After 1989." Page 40
\textsuperscript{70} Ibid. Page 11
\textsuperscript{71} Sabina Stan, "Romanian migration to Spain and its impact on the Romanian labor market," (Barcelona: Centre d'Estudis Sociologics sobre la Vida Quotidiana i el Treball, 2009). Page 6
For instance, nowadays, nearly 80 per cent of the EU2 citizens that migrated to the EU15 reside in either Spain or Italy. Out of the total number of Romanians living abroad, 43 per cent reside in Italy. While the share of migrants moving to Spain declined significantly after Romania’s accession to the EU and more abruptly when the crisis emerged and Spain reintroduced restrictions for Romanian workers who already worked or were looking for work there, the numbers in Italy rose by a similar magnitude. 

Similarities between the Italian and Romanian languages are thought to have contributed to this being a popular destination for Romanian migrants. But another similarity is the one in mentality between Romanians and Italians and how both perceive and obey rules and laws, to which the comparable high law and tax-elusion rate and size of the informal economy (particularly labor) in these countries is added.

The networking factor also stands as an extremely valid reason for the perpetuation of Romanian migration to Italy, given that 60 per cent of migrants after 2001 benefitted from the help of their friends and family to reach Italy and get established there.

It is also important to look at the regional distribution of migrants within Italy. Most foreign residents are gathered in the north and center of the country. In 2009, over a third (35 per cent) of all foreign residents in Italy was located in the North-West, with a further 27 per cent in the North East. This is where the demand for lower-skilled labor is considerable, namely for workers in the construction and metal industries, in the hotel and restaurants sectors and last, but not least, in providing elder (‘badante’) and household care (‘COLF’).

Official sources, however, provide low estimates. For example, the National Institute of Statistics recorded only 386,827 emigrants from 1990 until 2006 (i.e., Romanian citizens who settled permanently abroad). The difference lays in the fact that the Institute only considers those who have changed their residence address permanently abroad. Needless to say this number is clearly underestimated. Caritas, an Italian non-governmental organization

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72 Holland et al., “Labour mobility within the EU-The impact of enlargement and the functioning of the transitional arrangements FINAL REPORT-COUNTRY CASE STUDIES.” Page 95
73 Domnar Oprisor, "When the East Goes West: Romanian Migrants in Italy or How to Deal with Mobility Issues in the EU 27.” Page 32
74 COLF is the Italian abbreviation for ‘Collaboratore/ collaboratrice familiare’, term designating domestic care
75 Romanian Statistics Institute, Fig. 2.29, [http://www.insse.ro/cms/files/pdf/ro/cap2.pdf](http://www.insse.ro/cms/files/pdf/ro/cap2.pdf), accessed July 3rd 2012
provided a figure of 555,997 Romanian resident migrants only in 2007. This number doubled ever since. In contrast, the Italian National Statistics Institute\textsuperscript{76} reports only 342,200 Romanian migrants for the same year. Additionally, according to the Romanian Office for Labor Force Migration’s estimates, there are a total of up to two million Romanians employed in non-seasonal activities abroad, which amounts for ten percent of Romania’s population\textsuperscript{77}.

These are gross underestimates, and the lack of quantitative data is augmented by the fact that there is little control on the movement of people inside the EU, Schengen area or not.

The number of Romanian residents in Italy has increased considerably over time, from less than 100,000 in 2003 to 889,000 in 2010 and more than a million in 2012. Only in the region chosen for the qualitative research method there are 137,000 officially recorded. Nevertheless, the total number of Romanians in Piemonte exceeds 200,000 if we count the undocumented, seasonal workers and people residing for more than only three months\textsuperscript{78}. Moreover, the Romanian community in Turin is the second biggest one in Italy, after Rome. This and the powerful dynamics found at the socio-economic and cultural levels amongst the community led to the establishment of the Romanian Consulate in Turin in November 2007\textsuperscript{79}.

6. Profile of the Romanian migrant

The crisis has not conversely affected the attractiveness of Italy as a destination country for Romanian nationals wishing to move. As in the case of migrants from other countries, movers from Romania are rather young. About 60 per cent of migrating Romanians are younger than 35. The gender structure of the migrating population is slightly skewed towards women. A little more than half of migrating Romanians, about 54 per cent, are medium skilled with only 12 per cent holding a university degree. The general skill structure of migrating Romanians broadly matches the skill structure of the Romanian population although there are more low-skilled, and fewer medium and high-skilled workers migrating\textsuperscript{80}.

\textsuperscript{76}‘La popolazione straniera residente in Italia’, ISTAT (Istituto nazionale di statistica), accessed on July 3\textsuperscript{rd} 2012 http://www3.istat.it/salastampa/comunicati/non_calendario/20101012_00/?
\textsuperscript{78}Roberto Di Caro, ‘Ora il Barolo lo fanno I romeni’, L’Espresso, May 25\textsuperscript{th} 2012, accessed June 22\textsuperscript{nd} 2012 http://espresso.repubblica.it/dettaglio/ora-il-barolo-lo-fanno-i-romeni/2182013#commentatutti
\textsuperscript{79}Romanian Ministry of Foreign Affairs’ Consulate in Turin, http://torino.mae.ro/it, accessed July 15\textsuperscript{th} 2012
\textsuperscript{80}Holland et al., “Labour mobility within the EU-The impact of enlargement and the functioning of the transitional arrangements FINAL REPORT-COUNTRY CASE STUDIES.” Page 41
The biggest share of Romanians residing in Italy is employed in elementary occupations – about 36 per cent. A further 28 per cent of Romanians work as craft and related trade workers and 14 per cent are employed as service, commercial and market sales workers.

Only 2 per cent of Romanians work as professionals, legislators, senior officials and managers. About 93 per cent of high-skilled Romanian migrants residing in Italy have undertaken jobs below their qualification level, and for 70 per cent of them this situation has persisted on a long-term basis. At the same time 82 per cent of those workers accepting under-qualified jobs are temporary workers who intend to return home in the short to medium run.

Piemonte has lately become a growing attraction point for Romanian labor migrants, as it is an economic center of Italy and the construction sector was previously flourishing. This was due to different infrastructure projects like Turin-Milan highway and the new high-speed train track connecting the north to the south (Turin-Naples), as well as the Winter Olympics held in 2006 in Turin which attracted a lot of investment such as the creation of a subway system, the building of sports halls or new buildings destined to the hospitality sector.

![Diagram](http://www.soros.ro/ro/program_articol.php?articol=34)

Source: Open Society Foundation Report on the economic migration of Romanians

The author focuses on Romanian labor migrants in Turin, Italy, who arrived in large numbers from all over Romania, but particularly from the northern parts of the historical province Moldova.

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81 Ibid. Pages 42-43
82 'The economic migration of Romanians abroad', Soros Foundation, accessed July 3rd 2012
Their migration started in the mid-1990s, and by 2000 a dense set of migration networks had developed. As part of the EU enlargement process, in 2000 Romania started the negotiation process for accession to the EU. Two years later freedom of movement without a visa in the Schengen area was granted to Romanian citizens. Ever since, Romanian labor mobility to Italy has been on the rise. The author will also analyze how EU policies influence an already established migration pattern, but also how practices change within the current crisis context. As previously stated, Piemonte and Turin particularly are very interesting to analyze as one of the largest communities in Italy are concentrated there.

In the author’s opinion, many Romanians in Turin have a satisfactory economic situation in order to give up the idea of returning home. This is more evident in the families who have taken their children with them or whose children were born in Italy. It is very difficult for migrants to return in their native country while their children have grown accustomed to the Italian curricula and methodology in school. For the children born in Italy it would be even more difficult to settle in Romania as they lack the fluency in Romanian, they don’t have friends in their parents’ home country, or simply put, most of them are foreigners in Romania.

However, as a means to cope with the crisis and income reductions, migrants adapt and either start a business at home or in Italy, take up another job, send the inactive part of the family home or simply reduce the costs of living. The way migrants remit lately also puts stress on the rigidity in terms of wealth of the labor market in times of crises83.

7. To return or not to return? Does the return really pay off for Romanian migrants in Italy?

Explanations of the consequences of migration are multiple. As a whole it may have more positive effects to the former EU members, which are suffering from the problems of short of labor supply and aging population for years84. Hence, labor mobility is a central feature of the international economy and a possible solution for the labor shortages in some European countries. Yet, unlike the external immigrations, which could be restricted by national regulations, the citizens of the new member states are entitled under the Rome treaty to enter the EU-15 countries without any restriction in principle. However, this is not always the case.

83 F. Pastore and C. Villosio, *Nevertheless Attracting...Italy and Immigration in Times of Crisis* in Nieuwenhuysen, *International Migration in Uncertain Times*. Page 119
84 Zimmermann, "European Labour Mobility: Challenges and Potentials." Page 439
“Freedom to live and work anywhere in the union is a fundamental issue in the enlargement process, given the EU’s commitment to offer full membership to the Central and Eastern European countries, not partial or second-class membership”85 should be the norm in the EU. Nevertheless, Eastern enlargements proved differently with the transitional measures.

The economic crisis transformed emigration from Romania into a lifetime horizon. Not only those who have relatives abroad want to migrate, but people from any generation, social status, professional field or educational background. Therefore, migration is not only determined by economic reasons, but also distrust in the institutional system and policy makers at home86.

As far as return policies are concerned, no concrete strategy existed until Romania joined the EU. However, in the midst of increasing and more visible labor shortages, Prime Minister Tăriceanu decided to establish in early 2007 a special inter-ministry committee with attributions to draft a set of measures to encourage the return of Romanian migrant workers. Following the ‘Plan of measures for returning the Romanian citizens working abroad’ (GD no. 187/2008), the Government also organized specific actions in the geographical areas abroad where large communities of Romanians are living. Among those, an information campaign and job fair for Romanians living in Turin was held on 21 June 2008, with around 400 people attending it87. One of the interviewees, unemployed at the time, went to seek for a job offer:

‘It was a joke! There were seven companies exhibiting that offered jobs for mainly engineers, as if we were all highly educated, but for salaries under 1000 Euros! No one wants to return for that kind of money if you have a degree in engineering. The rest of the so-called jobs they offered were in constructions, but again, the salaries provided were more of an

85 Grabbe, "Opening up the business opportunities of EU enlargement." Page 143
incentive to stay here and work even in the black market. Plus, there were around two hundred people attending it, which is half of what they announced.\textsuperscript{88}

Moreover, after an increase in the public debate and awareness on crimes committed by immigrants in Italy, including some Romanian migrants, the Romanian Government began to pay more attention to Romanian emigrants and the possibilities for their return. For instance, in November-December 2007, the Agency for Governmental Strategies conducted a survey on the prospects of Romanian migrants in Italy to return home. The survey revealed that one in three Romanian migrants in Italy plans to permanently return to Romania in the near future\textsuperscript{89}.

The author argues though that this survey is very optimistic. The findings after conducting the interviews showed that only four out of the twenty interviewees intend to return home, and they are mainly those who have children and close family at home and who do not fare that well in Italy. However, those who do intend to return either wait to reach their retirement age or want to start up a business home after they have already reached their goals.

Return migration can produce different outcomes both at social and economic level. Depending on the impact or result produced by the return, there are conservative returns (when the investment is mainly made into passive assets), innovative returns (when a migrant opens up a business), retirement return (to enjoy the right to a pension, no matter the country where the migrant worked in the past, as in the EU pensions are nowadays trans-boarded, taking into account all work experiences based on a contract), or bankruptcy return (which is a pejorative term, usually used to frame the category of migrants who do or did not do more than just subsist either in the host or home country after a return)\textsuperscript{90}.

Moreover, in the future, the expansion of the European Union will trigger further transition issue, and as far as the outflow of low-skilled people is concerned, this has already largely taken place through illegal immigration in the past decade. Now, the East European countries need to ensure that the mobile high-skilled East Europeans are not attracted by

\textsuperscript{88} Popescu, Cristian. Interview by Paula Roşu. Voice recording. Turin, July 23\textsuperscript{rd} 2012.
\textsuperscript{89} ‘Survey on Romanian Emigrants in Italy’, Agency for Governmental Strategies, Page 1, accessed July 1\textsuperscript{st} 2012 http://media.hotnews.ro/media_server1/D彦MENT/PDF/2008/01/17/2206204/Studiu_emigranti_Italia.pdf
\textsuperscript{90} Pietro Cingolani in Sacchetto, Ai margini dell’Unione Europea. Page 117
traditional immigration countries, but by the rapid growth that lays in the East\textsuperscript{91}. However, this is still an issue in the hands of each Government and their return policy.

But how do migrants really fare and does migration pay off in the end? Apart from being a question of integration into the labor market of the host country, it is also about the transferability of skills from one country to another, hence of the cultural assimilation process.

According to standard economic theories, the degree of integration depends on individual proneness to adapt, the characteristics of the home country, the reason to migrate, and the expected migration duration. The more similar the sending and the receiving countries are as far as their economic development is concerned the faster and easier the integration occurs. Migrants who move for economic purposes, who have a good network and educational capital and those with a good knowledge of the language of the host country are more likely to assimilate and integrate faster than non-economic and temporary migrants\textsuperscript{92}.

This being said, it appears that Romanian migration to Italy should have been a success, given the fact that Romania does not lag so far behind Italy in terms of relative development of the economy, the cultural and linguistic similarities, the fact that employability is not a big issue for Romanian migrants and that statistics (see the results of the survey conducted by the Romanian Agency for Governmental Strategies in Italy) showed that a third of the migrants intend to return home in the short to medium run. However, the author’s own research reveals that not only was the overall migration successful, but also that regardless of the generally adverse effects of the crisis on the interviewees, the majority of them does not want to return to Romania. This will be broadly discussed in the interpretation and analysis of data chapter.

7.1 The connection between the total value of remittances and the economic crisis

The objective of this section is to compare the link between remittances and returns. It is the locality intended as structures of labor opportunities, network support and social power relations both at home and in the country of destination that gives the impact and outcome of return migrations. The locality the author focuses on shows specific patterns of migration or

\textsuperscript{91} Zimmermann, "European Labour Mobility: Challenges and Potentials." Page 11
\textsuperscript{92} Ibid. Page 429
different results based on the variables taken into account, such as age, gender, professional and educational backgrounds, civil and social status, year of arrival in Italy, having a job, being underpaid or having no job, future plans and so forth.

An outcome of the analysis is that an increase in local unemployment will have as effect a higher probability for migration abroad and similarly, a higher propensity of return. However, if the economic situation, job prospects or social security at home are perceived as a downgrade compared to those in the destination country, the return is postponed. For example, the unemployment benefit in Italy is 80 per cent of the net salary had at the moment of job loss for a period of 6 months and 50 per cent for the rest of the 2 months. For employees older than fifty, another 4 months with benefits amounting to 40 per cent of the salary are granted.

Conversely, in Romania, workers who have legally worked and paid their social security contributions for a year are entitled to 75 per cent of the value of the social reference indicator for the year of the job loss. This amounts to approx. 80 Euros a month. If the unemployed person has worked for more than a year, a certain percentage of the monthly base salary is added. The unemployment benefit is also granted from 6 months up to 1 year. Romania also offers university graduates that could not find a job a mere 50 Euros per month for up to 6 months. However, even for Romania, one cannot decently live with this money.

Therefore, a lot of the migrants prefer staying unemployed in Italy rather than in Romania. Moreover, the unemployment benefit in Italy exceeds medium salary in Romania, so most of the unemployed are not even trying to get a job at home and prefer to migrate in the first place. This practice, besides creating a burden to a pensions system that is already unsustainable, has other negative implications since it prevents migrants from returning home.

Salary cuts, coupled with a growing sentiment of economic insecurity for the future, are usual signs of decreasing remittances. In today’s conditions, however, given the global impact of the crisis, which sometimes affects countries of origin even harder than receiving

93 Sandu, "Dynamics of Romanian Emigration After 1989." Page 42
http://www.inps.it/portale/default.aspx?itemdir=7163
95 In 2011 and 2012, this indicator was set at 500 RON, a merely 115 Euros.
http://ec.europa.eu/eures/main.jsp?lang=ro&level=0&acro=living&showRegion=false&catId=9011&myTitle=Le ve%20og%20arbeidsforhold&chatRoom=enter&parentid=7859&mode=text&acro1=living&countryid=RO&reco rdLang=en
countries, the declining capacity to remit could be associated with a stronger “moral duty” to transfer money in order to prevent an increase in poverty back home97.

The impact of the crisis on the Romanian migrants is expressed concretely and visibly on the amount of money sent home by Romanians who work abroad. Even if migrants have tried to further support those left at home by sending money or goods, because of the deteriorating conditions on the labor market in all countries, remittances started to show a downward trend and declined in mid-2011 to almost half of the maximum of 2008. In 2010, after two years from the onset of the economic crisis, remittances were higher than in 2007, before the crisis, while decreases were recorded in 2008-2009. It is essential to note here that the share of migrants from Italy who send money into the country ‘often’ or ‘very often’ is significantly higher than in other countries98.

To reinforce the latter, we can refer to the rich literature99 of the past years on the importance of remittances on the development of economies that have difficulties sustaining themselves and need help. For instance, the World Bank gives estimates of the amount of remittances of only 3.9 per cent of the GDP of Romania in 2008100. However, the reports of the Romanian National Bank show that the remittances for that year amounted to 9 billion euros, placing itself at the same level with the amount of direct foreign investments101.

The general effects of the crisis on transfers of money are consequently not easy to predict, and they may vary significantly from one migrants’ community to another. In the Italian case, data on the total volume of remittances (those monitored by the Bank of Italy only through Money Transfer Operators and the Post) show an increasing decline in the rate of the total official outflow of money since 2008. However, statistics on unofficial channels regarding remittances show a stable trend.102

97 Koehler et al., "Migration and the economic crisis in the European Union: Implications for policy." Page 127
98 Stânculescu, Iris, and Luminia, "Impactul crizei economice asupra migraţiei forţei de muncă româneşti.," page 145
99 The above-mentioned studies, Pastore in Nieuwenhuysen, International Migration in Uncertain Times, Sandu in Richard Black et al., A continent moving West? EU enlargement and Labour migration from CEE (Amsterdam: Amsterdam University Press, 2010).
102 F. Pastore and C. Villosio, Nevertheless Attracting...Italy and Immigration in Times of Crisis in Nieuwenhuysen, International Migration in Uncertain Times. Page 118
The crucial aspect is that these considerable flows of money are used for passive investments, meaning non-income or low-income generating assets. Remittances are mainly invested in building houses, buying cars, helping the extended family at home consume rather than produce. This usually leads to further ‘fractures’ in family relations since it encourages those at home to be financially supported since they only spend the money migrants work for\textsuperscript{103}.

Moreover, the price of land and houses in the home communities of migrant workers sky-rocketed in the past years, which is both unsustainable and counter-productive. First, because the supply-demand ratio is unbalanced but people are still willing to pay exorbitant amounts of money to get the best location or nicest house and second, because of the increase in prices, migrants tend to overstay the period abroad they had in mind when they migrated in the first place and since the costs are fueled continually, it starts to turn out being a permanent solution.

‘Of course we would like to go home earlier, but we cannot afford it! Our kids are still in school or just got employed, but the money is not enough, so we have to support them.’ \textsuperscript{104}

What is even harder to predict is migrants’ behavior as far as returns are concerned. This is mainly due to the unreliable statistics on outflows, particularly in the Italian case. Based on these statistics though, emigration of foreign-born population was somewhat limited in the last years (outflows are always less than 1 per cent of foreign residents) and constant in rates.

The Italian National Statistics Institute itself admits that, however, is a gross underestimation of the real return and emigration flows of foreign-born nationals from Italy\textsuperscript{105}.

Because of the scarcity of reliable official statistics on return migration which are sadly not even compensated by extensive quantitative research, the author had to rely mainly on the initial qualitative evidence gathered during the interviews which seems to show that crisis-induced temporary propensity of returns is increasing particularly in the elders’ case.

\textsuperscript{103} Cingolani, Romeni d’Italia: Migrazioni, vita quotidiana e legami transnazionali. Page 48
\textsuperscript{104} Coanca, Doru and Narcisa. Interviews by Paula Roşu. Voice recording. Rivoli, July 19\textsuperscript{th} 2012.
\textsuperscript{105} F. Pastore and C. Villosio, Nevertheless Attracting...Italy and Immigration in Times of Crisis in Nieuwenhuysen, International Migration in Uncertain Times. Pages 119-120
‘We’d very much like to go back. For now, we cannot afford it, since the pension at home would probably just cover the tobacco expenses (laugh). But in a couple of years, we’d rather grow vegetables in our own little garden than still be working in constructions or as a house keeper. You start to pay more attention to how you work and to your health at this age.’

‘I’m determined to stay for another year at least and look for a job. It’s easier since I have the support of my brother. But if it doesn’t go well, my husband hits retirement age and we will have at last an income in the family since my two dependent sons are unemployed.’

As the interview quotations show, the general theories on migration and return appear to be confirmed at the empirical, personal level. However, new findings and how the research method tested the author’s hypothesis will be discussed further down.

8. Interpreting the interviews - discussion and analysis of data

Migrant workers are a key resource for both countries of origin and destination and the global financial and economic crisis deeply affected them both, creating direct consequences on the quality of life of the migrants and their participation to the labor market. All this led to an increased vulnerability of migrants at the economic and social level, while the political measures amid a widespread propagation of anti-immigration speech of the public opinion, led to the adoption of a nationalist agenda which opted for protective and restrictive measures.

The economic crisis develops and worsens already existing problems regarding migration. This requires a strengthening of the cooperation relations that politicians and policy makers in host countries have with the countries of origin of migrants in order to develop appropriate public policies and programs that effectively manage labor migration and capture the constructive contributions of the labor force migration in a coherent and long-term strategy.

106 Alexe Adrian and Ioana. Ionescu Elena. Interviews by Paula Roşu (over 50 age range). Voice recording. Rivoli, July 12th and Turin, July 26th respectively.
107 Domnar Oprisor, "When the East Goes West: Romanian Migrants in Italy or How to Deal with Mobility Issues in the EU 27." Page 30-36
108 Stănculescu, Iris, and Luminiţa, "Impactul crizei economice asupra migraţiei forţei de muncă româneşti." Page 138
The economic recession also brought debates on the access to education, health care, certain occupations and qualifications that are perceived as premium - in terms of the values and foundations the European area is built on as a space of equality, freedom, respect for human rights and solidarity and protection of the vulnerable - by those who live together in the Community, whether citizens, residents or migrants. The crisis called into question the very principles and values that define us as Europeans and posed many challenges for the society, its economy and how mobility and particularly labor migration will shape the future Europe.

Conversely, the economic crisis also had many negative effects on Romanian migrants who work in Italy. Marginalized people in the labor market, with reduced human and physical capital and low income are those categories of migrant workers most affected by the crisis. Those who were hit the hardest were the low-skilled workers and those who worked in the informal economy.

Nevertheless, the trend of Romanian migration to Italy has remained relatively unaffected by the economic crisis. Although net migration rate decreased by 21 per cent in the first nine months of 2009 compared with same period last year, the number of foreigners in Italy rose during the recession. However, changes made to the labor market were quite deep. The gap between the unemployment rate among native workers and foreign workers grew in the second half of 2008 to 2009, while remaining lower than in other EU countries of destination.

Sectors predominantly occupied by migrants, such as constructions or hotel services, plus other sectors that depend on economic cycles, have been hit hard by the recession, causing job losses and growth in migrant workers’ unemployment rate compared to the native employees.

The data gathered after transcribing the interviews show that few migrant workers, irrespective of their age, social status in Italy or Romania, education and work opportunities, intend to return home, either on a short or long run. The ones who have their family in Italy or have a good job prefer to remain in Italy indefinitely, or at least until retirement, to benefit from a better pay. Some of the older interviewees have already planned to take advantage of

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109 Salis, "Labour migration governance in contemporary Europe. The case of Italy." Page 1 of the introduction
110 F. Pastore and C. Villosio, Nevertheless Attracting...Italy and Immigration in Times of Crisis in Nieuwenhuysen, International Migration in Uncertain Times. Page 115
the fact that one can nowadays combine the retirement contributions from all EU countries one has legally worked in. So, this practice tends to be seen as a safety for the retirement years, when one can maybe get a consolidated sum from both Romania and Italy to be able to live decently in any of these countries, but mostly in the one that is perceived as having lower living costs or otherwise more appealing.

What should also be taken into account is the general perception that the crisis may be more bearable in the destination country than in the country of origin and that there are better economic and social prospects in Italy, which are the reasons to emigrate in the first place. Taking this into account, there is no added-value for the return to the home country if the effects of the crisis are worse there. Staying put or sending just the unemployed members of the family home might be an option, while reducing costs or cutting remittances sent home might be another. However it might be, the idea of a return comes in as a last alternative. The return appears to have a negative connotation and a return without the accomplishment of the goals would mean a defeat at home, which none of the interviewees is willing to take risk for.

‘Return? No way! It would mean that I’ve worked in vain for the past 10 years here. I cannot go back home and not even have a car or the money to start up a business. It’d seem I was a ‘barbone’ (homeless) in Italy and that who knows what I’ve been doing these years!’

However, at the individual level, in most of the studied cases, the return of the migrant is based on personal reasons that are connected to longing for home and family, family reunification, health issues, the total amount of time spent abroad, hence the accomplishment of the preset goals if we talk about a longer time spent in the host country or to a lesser extent the worsening of the conditions to work and live abroad compared to expectations and goals.

Most Romanians whom the author interviewed report that the immediate impact of the crisis is that "migrants have begun to lose their jobs" and "many migrant wages were reduced" or "there is an increased living cost" in both countries of origin and destination.

‘My family is more or less totally dependent on me. I get around 800 Euros of which 700 I send home for my kid to attend university! It’s going to be like this for another five years.’

However, when asked about their personal income, most migrants (63%) say they were not changed in the past six months and only a much smaller proportion (17%) say they were reduced. The impact of the crisis on the income of Romanian workers in Italy varies significantly by sector of activity they work in and how the economic crisis affected that field. We can also speak of a feminization of migration. During the crisis, female migration has increased due to continuous labor demand in sectors such as domestic work (cleaning, home care) and elder care compared to sectors where the workforce is largely male - constructions.

Moreover, it is important to note that downward occupational mobility on the labor market in the country of destination is specific to women, while for men is ascending or horizontal. However, it is essential to note that only a quarter of the migrants find work in a better position or occupation abroad than in the home country (upward occupational mobility), either because in the meantime they attend school or go to training courses, either because they had the knowledge and skills to use in the context of Italy’s developed economy.

‘When I realized I cannot find a job as kindergarten teacher or a managerial position as I had before migrating, I subscribed to social mediator courses, as I realized it might be wise to do so since there are many Romanians and Roma in the region that need assistance or help and the Italian authorities need people with adequate studies and who know Romanian. Now I am involved in different projects and work full-time with an NGO in my new field of study.’

The interviews show that Romanian men dare to a larger extent to go to work abroad without any prior arrangement. Over half of the male migrants leave without waiting for anyone to prepare their arrival. On the contrary, women tend to be more cautious and plan better their departure. The average is that each migrant ‘pulls’ three other migrants to work abroad. Female migrants succeed to make arrangements for a smaller number of other people migrating than men (on average 2.4 persons women ‘can bring after them’ compared to 3.4 persons for migrant men).

Finally, it can be noted that most Romanian migrants leave Romania to work abroad for the first time between the age of 21 and 27. The average age for women who first go to work abroad (30 years) is almost two years higher than that of men (28 years).

Another feature of the migrants in Italy is that self-employment has proved to be more common among them than among the native population despite a similar level of training. This is observable in the Romanian entrepreneur migrants’ cases whose number has increased substantially during the crisis, mainly as an escape way of staying in the country and not go home\textsuperscript{114}.

However, this has not resulted from the interviews I conducted. The risk factor was mostly used to explain why opening up a business was not an option among the interviewees.

Moreover, when asking people about this possibility, all interviewees responded that you need either a good start (the money to start up the business, network capital and a brilliant idea) or to have inherited the business from family, relatives or friends in order to diminish risks. The risk factor was portrayed mainly from the economic, but also legal points of view.

\textit{‘Who wouldn’t like being their own boss? But when you have debts already for the house and car and you get a kid, you think twice before risking it all. Plus, you need a good business idea and the perfect location for it! I won’t lie and confess that I could go back home and live out of my own little business, but no one can guarantee that it will work for ever. Especially in today’s uncertainty! If only there were preferential policies banks or the State would offer.’}\textsuperscript{115}

The perception of the interviewees is that migration for work purposes increased lately. The findings indicate which the profile of the Romanian migrant is and whether the economic crisis caused major changes in the Romanian labor force migration phenomenon to and from Italy. Are there new types of migrants? Is it the permanent migration increasing or the return?

To begin with, regardless of age, gender, civil and social status, education or occupation, household or personal income, whether we talk about Romanian migrants still living abroad or the ones who have already returned home the main motivation to go work abroad is money.

\textsuperscript{114} Zimmerman, "European Labour Mobility: Challenges and Potentials." Page 434
\textsuperscript{115} Râşnoveanu Ionuţ. Interview by the author. Voice recording. Rivoli, July 27\textsuperscript{th} 2012.
‘I would have most probably worked as a miner if I stayed home. I wasn’t the best, but for sure not the worst student in my class either. So apart from being dirty and dangerous job, I would have made one hundred Euros per month. This is not that appealing when you’re 20 and you have all possibilities open for you! I decided to make three hundred Euros instead as ‘badante’ for an elder gentleman until I got a job in constructions for four hundred. Although it took me some time to get the job I wanted in real estate, I’m finally there and wouldn’t want to change my decisions! Working here is better than at home. At least for me since I’m not a ‘cervellone’ (a term used to designate with a hint of negative connotation someone with too much brain)!’

One of the mechanisms used by Romanian migrants to cope with the impact of the crisis is the high mobility and proneness to move to a new country of destination. Romanian migrants prefer to keep their occupation and change the country of destination with another one where there are opportunities for them to work in the same or similar position. In most cases, new destinations for Romanian workers are already covered by considerable Romanian communities, thus facilitating labor migration in the system of networks (having family, relatives or friends there).

‘I realized it didn’t work anymore for me in Spain, so I decided to join my brother in Italy. There are more jobs for me here I heard. So I jumped on a bus and came to Turin without any prospects. I don’t have a job yet, but with the support from my family and the Church, I hope to get something soon. Otherwise I’ll have to go back to Spain.’

Hence, an important role in the decision to migrate or return is played by the support the social network gives to the migrant. Family members and friends provide an essential support to remain abroad. Romanian migrants who recently left have newer created social networks abroad: data obtained after conducting the interviews show that migrants who left before 2005 tend to consider having most friends abroad or as many friends in Romania as abroad, while migrants who left after 2005 believe they have most friends in Romania. In other words, migrants who left recently have fewer friends and relatives abroad who can help them stay and their likelihood to return is higher.

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117 Ionescu Elena, Interview by the author. Voice recording. Turin, July 26th 2012
Similarly, the migrants more likely to return are rather young (20-29 years), unmarried, who did not find a partner abroad or who are married but have no kids yet, and people aged over 50 who either have dependent family and children back home or are close to retirement.

In addition, most migrants seek support from foreigners and/or Romanians with whom they became friends in the destination country. The successful strategy for Romanian migrants involves a combination of two elements. One is having family or friends abroad who either help them adapt to the new world, to learn the rules quicker or force them to mobilize the necessary arrangements in preparation for their arrival there. The second entails the investment in ‘weak links’ (friendship with natives or other migrants living there for longer) to gain knowledge, preferably from locals with whom they spend time, from whom they can learn effective ways to adapt and can count on. Thus, a common strategy is that a member of the couple (husband or wife) goes first and shortly after finding a job also brings the partner.118

'I came first, as most male migrants back then. The head of the family should be able to support his family! Things went pretty good back home, but I wanted more. I tried first to do business with things I brought from Turkey, but then realized this is not going to work long term. I had a cousin in Turin that could help me find a job. I am good at everything. I am an electrician, but I also know about constructions, I’m some sorts of a handyman! So I found a job right away and brought my wife after two years. Then we had to think about the girls at home. They needed help to come start a life here with us. Family always sticks together.'119

As far as the perceptions of Romanian migrants on Italy are concerned, they are generally positive. Over 90 per cent of the interviewees claim that they feel integrated in the country where they worked ‘fairly well’ or ‘very good’. People who say otherwise are mostly those who did not fare that good, do not have friends among Italians or other foreigners, and spend time only with Romanians.

118 Stănculescu, Iris, and Luminița, "Impactul crizei economice asupra migrației forței de muncă românești.,” page 140
119 Alexe Adrian. Interview by the author. Voice recording. Rivoli, July 12th 2012
‘I feel integrated as I have most of my family and friends here. I started university, but work part-time as well, speak fluently Italian and I’m involved in different organizations.’  

Most migrants mention among the things they like abroad that they have a ‘good life’, based on fairness and respect toward them and their work, they enjoy the presence of civilized people who ‘smile’, the order, politeness and cleanliness as compared with the situation back home. More than half of the interviewees like their ‘quiet and settled life’ in Italy and do not wish to permanently return to Romania. They perceive Romania as lagging behind and do not identify themselves anymore with the conditions at home. Migration usually raises standards. The most frequently mentioned negative aspects relate to the ‘hatred towards Romanians’ because of the association with ‘Romanian beggars’, ‘Romanian thieves’ or ‘Romanian Gypsies’. This definitely has political, sociological and psychological implications on identity that could easily make the object of another thesis. However, a strong social separation could be felt during the interviews between the regular, working person and the ‘scum of society’.  

‘You chose the best place to come and conduct your interviews (laughs). Some of the Romanians in Turin are a shame for the hard-working community living here. They only know how to beg, steal, trick or do bad things I don’t want to even imagine!’  

The return of migrants in their countries of origin was one of the expected outcomes of the global economic crisis that hit labor markets in the destination countries of migrant workers. The impact of the crisis on Romanian migration produced a partly return of those who went to work abroad, but the proportion of the returnees has not been overwhelming. Contrary to the estimates and speculations found in Romanian media during the crisis, which anticipated a mass return phenomenon of the Romanians who work abroad, this large-scale return never happened. Return rates remained relatively small in proportion, as the results of this research confirm.  

‘I went home when I lost my job in 2007 because of the crisis. And I wanted to be with my family. But you cannot live with two budgetary salaries there! So I had to come back at least until my children graduate from university. Then I will most probably go home for good.’

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120 Marcu Mihaela. Interview by the author. Voice recording. Torino, July 30th 2012  
121 Term intentionally used in a pejorative way to designate migrants who come to Italy and are up to no good.  
There are a few significant economic differences among the migrants that stayed abroad and those who returned back home during the crisis, which indicates that remaining migrants were better qualified in the first place, thus better prepared to adapt to market demands abroad or benefitted more from the economic growth that characterized the beginning of the 2000s.

As far as the geographical mobility of migrants is concerned, the research shows no significant difference between the degree of mobility of the migrants who return and those who stay abroad.

Therefore, it is not the geographical mobility, but other factors that increase the propensity to return in the home country. The data gathered from the interviews show that the return rate does not significantly vary according to the level of economic development and poverty rate at home. The only correlation registered between the departure and comeback rates is that if the departure rate in a place is higher, the return rate tends to also be higher.

'We had a good business running at home when my husband left for Italy. We deemed that as being a good decision. You never knew how things would turn out to be when people start to figure the market economy. Plus, the taxes increased as well as the standards and we needed money to modernize. So the little shop and farm we had was in the beginning running on themselves, but then more money were needed to keep it up. That's when we decided to close it and I joined my husband in Italy. He found a job for me and I still work there now.'

Since there are no coherent measures targeted and aimed at facilitating the return of Romanians who work abroad, and given the lack of public policies to support the migrants after their return, we can say that Romania has no strategy for labor migration within the European social space in order to capture the benefits of mobility and to maximize the impact that migration plays in developing the communities of origin of migrants.

The author believes that individual factors depending on Romania's prolonged economic crisis will in the future prevail in the decision of migrants to return. Economic opportunities, affecting personal and professional achievements in the home country are closely related to the decision to migrate and return home. Moreover, the majority of the interviewees also mentioned that there is more than just the economic disadvantage that influences their decision to stay in Italy such as the social lag, mentality, high level corruption and bad roads:

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123 Rămescu Cătălina. Interview by the author. Voice recording. Turin, July 29th 2012
'We seriously thought about it, especially since I decided that I don’t want to be an academic anymore and got unemployed. But we have our house here, so one salary is enough for a decent life! We afford to eat good, to go home or bring our parents here once a year, we made friends and we like that the Italians are generally more polite and somehow happier!'\textsuperscript{125}

Is there such a thing as the permanent return of migrants? The very high share of the migrants who say that even if they would come back home during the crisis, they intend to go abroad again stresses out the fact that we are mostly dealing with a temporary return phenomenon\textsuperscript{126}.

The person who has greater and more direct labor migration experience abroad has a higher propensity to adopt this strategy again. The main motivation for the intention to re-emigrate is the dissatisfaction with the situation at home. The majority of migrants consider that people live worse or much worse in Romania than abroad, they are frustrated by the low income people get for the same type of work and high prices compared to the latter, the poverty, inefficient laws and corruption and last, but not least, the lack of highways and proper roads that act like a (time-consuming) disincentive for migrants to come home by car.

Therefore, the economic crisis did not cause a wave of massive returns of Romanians working abroad, while those returning home are, most likely only for a limited period of time.

'Why return? I have my child here; he has his own family now. I sold everything at home after the divorce and came to Italy to have a better life. I got that now through hard work.'\textsuperscript{127}

Despite the fact that the economic crisis hit the Western European states more rapidly, labor market opportunities are still much more numerous there than in Romania. In fact, the number of interviewees who intend to stay in Italy even if the crisis affected them is almost four times the number of returnees, which shows that the economic crisis actually increased the propensity for migration, while the return phenomenon was insignificant. In addition, the crisis conditions in Romania made migration the only possible alternative for a decent life and not just an option for to the lack of opportunities, taste for adventure or income consolidation.

\textsuperscript{125} Calotescu Gabriela, Interview by the author, Voice recording, July 10\textsuperscript{th} 2012
\textsuperscript{126} Stănculescu, Iris, and Luminiţa, "Impactul crizei economice asupra migraţiei forţei de muncă româneşti."
\textsuperscript{127} Page 144
\textsuperscript{127} Bilteanu Mi. Interview by the author. Voice recording. Rivoli, July 15\textsuperscript{th} 2012
Therefore, the socio-economic crisis that swept the European space and beyond, made it obvious that there is a need to strengthen the relations between Romania and the preferred destination countries of Romanian migrants. The only effective strategies to avoid serious consequences of the crisis were the ones migrants individually took when deciding to move to other regions or countries, to change professional orientation or return to Romania. It is necessary to make a strategy that regulates and ensures an effective management of migration.

At the same time, the research highlights the importance and positive effects migration has on Romania through its financial and investment flows and most importantly remittances that Romania greatly benefits from in this difficult time of economic recession. The crisis had serious consequences in Romania (soaring prices, job losses, wage cuts, VAT increase to 24 per cent, cutting state aid to name just a few) and, therefore, the money sent by Romanian workers abroad and the help given to their families left behind proved to be vital, in these circumstances, often representing the difference between the poverty line and a decent life.

Among the main factors that discourage migrants’ investment in Romanian businesses is not the lack of resources or of entrepreneurial spirit, but especially the bureaucratic obstacles, the cumbersome procedures, discretionary practices and the high level of corruption in Romania. Reconsidering therefore the lending policies and/or tax preference to the Romanian returned migrants or to the ones that continue working abroad but intend to invest in the home community could generate greater development and lead to growth in communities of origin.

One of the great problems of Romanians working abroad, regardless of the country of destination, is the lack of cohesion and sense of community, a phenomenon that translates into the non-use of the opportunity to be represented in the local communities of destination. External factors that could stimulate cohesion could be providing grants to support the founding of publications, associations, radio stations, the functioning of already existing Romanian associations from abroad, and the signing of inter-state agreements to facilitate the work and carry out of projects to strengthen links with the Romanian diaspora in that country.

Migration is a reality that goes through all aspects of the Romanian society and every Romanian, whether part of a younger generation or older ones, people can certainly talk about migration as a part of their life experience. Besides the fact that Romanian migration is a
national phenomenon, in the conditions in which about 3 million Romanians are working abroad, beyond the position taken in either assessing the positive outcomes or negative consequences labor force migration produces for Romania, at the individual level, each of us has experienced a direct or indirect impact of migration and how our lives were changed by it. Also, the global economic and financial crisis that hit both countries of origin of migrant workers and labor markets in destination countries contributes to the deepening problems that point out to the need for joint efforts of the states particularly affected, to manage migration.

9. Conclusions

‘To return or not to return? The impact of the economic crisis on migrants and their return rate’ and its case study on Romanian workers in Turin, Italy aimed to explain the effects of the economic crisis on labor force migration policies’ development within the enlarged EU and see how these changes affected the migratory flows after the Eastern enlargements. The in-depth study focused on the interesting case of Italy and the Romanian migration to and from Italy and how the crisis affected migrants’ decision to stay there or return home.

The empirical background is that of the transitional arrangements history for the EU8 and EU2 with a particular focus on Italy and its Romanian migration peculiarities before and within the economic crisis context. A broader image on the motivations people have when migrating is depicted with the help of several theories, but the main goal of the literature review on this issue was to create an overall framework that integrates the author’s focal point of concern. Although substantive research has addressed the issue mainly from the economic theories’ point of view, the author tried to complement them through a qualitative research method that would reveal the societal and psychological motivations that drive migration too.

Hence, the uses of more ‘social’ theories such as the human capital model and the network theory have helped the author draw some conclusions why people migrate and converge to the same countries. One of the most interesting cases to analyze was Italy with its strong Romanian migration and recent political changes regarding migration policies at both national and European level. The transitional arrangements developments from 2007 until early 2012 and the ‘security package’ are broadly explained in the first chapter.

A history and profile of the Romanian migration and migrant to Italy is drawn in chapter two in order to familiarize the reader with the particularities of the case study. This is needed
in order to understand the reasons behind the decision to migrate on the one hand and to return on the other. An analysis of the indicators for migration such as remittances and return policies is done in chapter three.

Last, but not least, the analysis of data the author obtained after conducting the interviews show that Romanian migrants move to Italy in search for a better life. This does not come however thorough a better job, since 80 percent of the interviewees have undertaken jobs below their qualifications or professional experience. The interviewees responded differently to the set of questions in the interview guide. The main findings confirmed the research found in the existing literature that migrants were largely affected by the economic crisis and many became unemployed. The novelty was the fact that migrants’ proneness to return home grows with age (interviewees over fifty), but diminishes with the level of education (interviewees with university education and higher are more inclined to return home in the medium to long run). Moreover, the hypothesis the author tried to probe, that migrants prefer staying unemployed or work informally in Italy until the effects of the crisis will diminish, was confirmed by the interview results. The three interviewees who are unemployed are either benefitting from the generous unemployment benefit in Italy or gave themselves one year time span for finding a job before returning home. The outcomes of the economic crisis on the propensity of return were hence indirectly tested and the results show that, contrary to the mainstream literature, the economic crisis has negatively influenced return migration. Migrants tend to not return even if they have to use different strategies to cope with the crisis.

A cautious note needs to be drawn here on the interview data. As already mentioned in the methodology section, it should be acknowledged that it is rather difficult to test my hypothesis that the crisis might have adversely influenced the return rate for Romanian migrants currently living and working in Italy. Because of the lack of exact data on the numbers of returnees, also the indicators of how the economic crisis influences the return might be much more diverse than the ones taken into consideration. To obtain a more valid image on how the transitional measures affected migrants’ country preferences and, at the same time, how did the economic crisis increase the propensity for return or not, a more substantial research is needed, from a regional point of view as far as Romania is concerned as well. The author deems this kind of research worthy of a PhD dissertation, and acknowledges the fact that the present master thesis only skims through the problem. Hopefully, the thesis will trigger further research especially since in today’s Europe, national policies seem to hinder migration and encourage discriminatory practices on the labor market.
Bibliography:


Appendix

Semi-structured interviews for the research on the effects of the crisis on Romanian workers in Italy

In the beginning of every interview:

1. Information on the interview (date and place) and on the interviewee (name, present occupation, year of arrival in Italy)
2. Short description of the place of the interview and impressions of the interviewer about it – here you can express personal opinions and thoughts on how the interview develops itself

SECTION A – BEFORE MIGRATING

1. Personal story and family history

Information to obtain:

- Age, sex, civil status, kids or no kids
- Family composition and occupational history (mother, father, siblings)/ the position of the interviewee among family relations (who left first?)
- Places and conditions of residence before departure (description of the city or village of origin)
- Are there previous experiences of migration / mobility in the family (internal mobility within the country, seasonal mobility, international migration)-where? For how long?
- Development of socio-economic conditions of the family over time (compared to average standard conditions in the community of origin). Did social status change?
- education (highest level attained) and any work experience prior to the departure;
- Relations between the close family and extended family-do extraordinary relations occur within the family itself?

2. Decision and motivation to leave

Information to obtain:
• Grounds for departure (economic, political or personal reasons) – trying to specify if there was a triggering event or because of the attractiveness of the country of destination, for study or family reunification reasons etc.
• Motivation to choose Italy and impressions on the country upon arrival;
• Presence in Italy or elsewhere (please specify) of other members of the family / friends / acquaintances / neighbors at the time when the decision to leave was made
• Way of departure: the family has helped or did you organize it yourself? Where from came the initial capital (who helped, how and under what conditions?)
• Did you already know who were you going to live with and work on your arrival? Was this a constraint or was it merely a support?

SECTION B - MIGRATION

3. Arrival and stay in Italy

Information to obtain:
• Story of the first month in Italy (with whom you lived, did you find a job immediately)
• Conditions upon arrival (such as way of entry, legal status, economic resources, spoke Italian, knew something about Italy?)
• Work history in time: how did you obtain them, nationality of your employer and colleagues, working conditions and remuneration;
• Living conditions (was the house you lived in owned or rented; how did you find it; did you live with roommates?)
• Networking and relationships in Italy (who do you hang out with and where; did you help anyone to come/stay/ find a job/ get papers and who did you receive help from)
• Who do you contact for legal assistance (information on residence permit, etc.)?
• Do you go to the hospital for medical treatment? Or do you have a personal doctor?
• Who do you get information from (e.g. who helps you with Italian translations)?
• Who do you go to for mediation at work? Do you belong to any labor union?
• Do you organize return trips to Romania by yourself? Who buys, prints your tickets?
• What are your prospects for the future (desire to return home or to be joined by family members); did this desire change over time?
SECTION C – KINSHIP AND NETWORK RELATIONS

4. Relation with Romania

Information to obtain:
- Do you still keep contact with family, friends or institutions back home? (Frequency, intensity and how it changed over time, what triggered it and if you have any projects or assets back home, who takes care of them?)
- Returns home (frequency, duration and reason; how did they change over time?)
- What is the purpose of the returns (i.e. home construction or renovations, holidays, visits, event attendance)
- Were there political events or changes that altered your relation with the country?

5. Economic milieu

Information to obtain:
- Size of income and savings
- Capital destination and usage in Italy and Romania;
- Remittances (ways of sending, how much are them in per cents of salary, how often do you send money back home, are there variations in time? when did that happen?)
- Individual / family remittances (who are they sent to, who manages them, what are they used to, frequency); Are there variations in time? If yes, when do they occur?
- Collective remittances (how are they collected, destination and use, are there variations in time?
- Entrepreneurship in Italy and Romania (Who started the idea, Why this initiative and not another, With what capital, Identity and role of the actors involved, management arrangements, performance, problems had and prospects of the activity/ company)
- Future plans: are you going to invest your money in other businesses, what opportunities and constraints at home or in Italy, role and identity of those involved
- What local impact does the money sent down have?

6. Political milieu

Information to obtain:
- Interested in the political life of Romania? What about the Italian one?
- The children behave like you?
- Italian associations you belong to? What do you do?
- Do you belong to immigrants associations? What do you do? What impact has this on your relations with other Romanians? Do you know/ meet/ make friends there?
- Do you vote? Where? Have you been involved in political campaigns at home/ Italy?
- Do you belong to any union or professional associations?

7. The socio – cultural sphere

Information to obtain:
- Do you read Italian or Romanian newspapers? Or both?
- Do you listen to the Italian or Romanian radio?
- Do you watch Italian or Romanian TV? What programs do you watch and what are your favorites in general? Do you watch the news? If so, which ones?
- What do you usually eat? What do you prefer your children? Romanian food
- What language do you speak with your family, partner and children?
- How do you spend your free time? Do you read books or listen to music? What kind?
- Are you a believer? What religion are you?
- Were you practicing it in Romania?
- What changed in Italy?
- Are you a church goer or do you participate in other activities organized by the Church?
- Is the Church engaged in activities to help the Romanian community in Italy?