

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
http://ageconsearch.umn.edu
aesearch@umn.edu

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

SOCIAL DOMAIN

MIGRATION FLOWS MANAGEMENT IN LATVIA

INGA SHINA, PH.D.

BA School of Business and Finance, Latvia

JEL Classifications: F22, J61

Key words: Migration, labour force, migration flows, migration policy.

Abstract: The present-day world features ever growing mobility - free movement of people, financial capital, markets and services. This mobility is enhanced and arranged by cross-national networks. The major instrument driving migration is modern technologies and information, including internet, communications and cheap air travels. The article makes insight into external migration trends of labour force and migration flows management prospects so as to discover the possible solutions for further formation of migration policy in Latvia.

ISSN: 1804-0527 (online) 1804-0519 (print)

PP.107-108

Migration can be considered from different aspects, and notion of migration has various definitions depending on circumstances: effects of different governmental policies, political and economic targets, as well as attitude of society to labour force migration processes (Castles, 2000). When considering migration term, one can assume that migration is movement of people resulting in changes in their distribution over an area for a certain time period, as well as number and composition in each region of exchange. Migration is not associated with tourists or business travellers, and migration means staying in a particular place for a longer period - for six months at least. Migration of inhabitants is investigated in geography, sociology, demography, economics, and other branches of sciences. To conduct research thereof, a large variety of theoretical approaches are referred to and diverse research techniques are applied. Research of migration often features interdisciplinary nature.

There are diverse theories interpreting the phenomenon of international migration:

- Neoclassical Macro Theory of Economics
- Neoclassical Micro Theory of Economics
- New Theory of Economic Migration
- Dual Labour Market Theory
- World Systems Theory
- Network Theory
- Common Causal Relationship Theory

Each theory is based on different presumptions about causing reasons of migration and effects brought about by the same.

At present-day volumes and scale of migration flows, potential of disagreements and conflicts typical of multiethnic societies in the world, ensuring of migration flows management is essential; countries may conduct this through elaboration and implementation of proper migration policies.

Migration of inhabitants in Latvia is considered as one of factors accelerating economic growth. Following accession of Latvia to EU, taking advantages provided by EU membership offering free movement and working in member states thereof, people migrate with a view to gain higher wage, to obtain better conditions of living, better

environment availability and to raise quality of life. One should take into account that free movement of labour force from one country to other has a direct effect on human capital, growth or decrease of its rate in a particular area, and has an indirect effect on production and service development and growth of stagnation of the region. Upon looking at trends of labour force emigration policy of Latvia, one can apply presumptions of the neoclassical economic theory based on wage differences among countries as well as network theory expressing opinion that labour force migration is enhanced by tight reciprocal bonds among people which have already left seeking for a job, and people still contemplating on doing so. In analyzing trends of immigration policy of Latvia, both the aforementioned theories can be applied as well as analysis of separate factors of the common causal relationship theory and separate presumptions of the global systems theory can be utilized.

Issue of labour force migration in Latvia has become especially urgent after accession to EU when remarkable number of inhabitants of Latvia left for other EU countries to work bringing about lack of labour force on the local labour market.1 Entry by foreigners into Latvia for job purposes, in its turn, runs at lower rates than emigration of inhabitants of Latvia for employment purposes. It is attributed to the fact that - as compared to EU member states - a strict migration policy oriented to local labour market protection is implemented in Latvia, currently (Indans, 2007). Though EU citizens are entitled to free movement and working in EU open space, Latvia is not popular among job seekers from other EU member states.² In return, various bureaucratic hindrances and financial procedures are applied to people who are not citizens of EU that makes their job seeking immigration to Latvia remarkably difficult.

Attitude of society to immigrants is an important condition in formation of migration policy since due to

107

¹ By data of research of Ministry of Welfare "Geographic Mobility of Labour Force" – approximately 86 000 of Latvian population are staying in European Union or other countries for job or studies purposes.

² By the latest data of OMCA, to 1 January 2008, Latvia hosts 3112 citizens of EU/EEZ countries

incoming guest workers the new members of society must be integrated in society that may provoke social stress in society of the hosting country. Though four years have passed since accession of the country to EU, trends of labour force migration are still variably assessed by Latvian society, and their impact on future social and economic situation of Latvia. Opinions still vary both in Latvian society and government regarding inhabitants who have left for job seeking purposes, possibilities of their return, as well as bringing guest workers to Latvia. Latvia is mentioned as the most negatively disposed country in EU in relation to immigrants. This is attributed to the negative experience acquired historically when industrialization during Soviet rule resulted in large numbers of labour force migrants entering Latvia from other Soviet republics thus bringing significant changes in ethnic composition in the country. Along with retrieved independence in the beginning of 90ties, re-establishment of national identity was significant to Latvian inhabitants as it was lost in circumstances of the Soviet rule lasting for 50 years. At that time, it was relevant to introduce strict, restrictive migration policy in the renewed country, thus creating sense of safety in society. For all that, the situation has changed radically during several years along with rapid economic growth of the country and Latvia's membership in EU. Large numbers of inhabitants of Latvia have left for foreign countries seeking for better living conditions and more highly paid work thus entailing problems in lack of labour force on the local labour market. These substantial changes of the situation raise questions: is it time for Latvia to think about altering of political heading regarding management and control of migration issues? Is the strict migration policy being implemented currently appropriate so that to ensure country's economic stability and growth?

In 2005, in Latvia, National Lisbon Program of Latvia for 2005-2008 was approved, target thereof being enhancing of the country's economic growth and employment. This program is a policy planning document based on European Council Integrated guidelines and Lisbon strategic objectives. According to this program: "Between the years 2005 and 2008, Latvia shall ensure annual GDP growth at the rate of 6-8% and shall increase employment rate by 65%, including women - by 61%, and elderly people - by 48%".¹ These goals are incorporated also in the Latvian National Development Plan for 2007 – 2013.

Up to now, researches on experience of other countries in regulation of migration flows have not been conducted in Latvia that would be necessary for further elaboration and implementation of state migration policy.

Author concludes:

- a. Since Latvia has become an EU member state, all regulations applicable in the common space of EU are binding on Latvia. One of the basic principles is free movement of people.
- b. Given that the EU single policy of migration is on the development stage it does not provide possibility to assess long-term impact of EU legal and political instruments on EU member states, including Latvia.
- c. Reckoning from accession to EU, number of people emigrating for job seeking purposes has grown in

- Latvia. This is enhanced by free access for citizens of Latvia to EU labour market, as well as differences of wages, work conditions and social warranties between Latvia and other EU member states.
- d. In Latvia, there is no registration system of migrating people that would characterize volume of external migration flows and quality composition, exact number of people from Latvia employed abroad.

References

- Bo, B., 2002. Immigration control, law and morality: visa policies towards visitors and asylum seekers, Chapter 1, Oslo: UNIPUB.
- Consolidated version of the Treaty establishing the European Community, 25.03.1957, OJ C 325, 24/12/2002.
- Draft regulations: procedure of implementation, management, control and monitoring of funds of principle program for 2007-2013 on solidarity and migration flows management, www.mk.gov.lv
- Indans, I., 2007. "Labour policy analysis in the context of immigration. The case of Latvia", in Effect of migration on European political thought and decision-making process, Vidzeme University, Valmiera.
- Informative report on current events in EU migration policy, Ministry of Internal Affairs of Latvia, Riga, 2006, www.iem.gov.lv
- National Development Plan of Latvia for 2007-2013, www.nap.lv
- National Lisbon Program of Latvia for 2005-2008, www.em.gov.lv
- Report on progress in implementation of National Lisbon Program of Latvia for 2005-2008 Ministry of Economics, 2007 www.em.gov.lv
- Geographic Mobility of Labour Force, 2007. Latvian Ministry of Welfare, LU, Riga.
- Labour force mobility and migration policy in EU and Latvia, 2007. Riga.
- Detailed research of labour force and labour market in national economy sectors, 2007.Latvian Ministry of Welfare, LU, Riga.
- Kazaks, M., Kule, L., Strashuna, L., 2007. Does Latvia need immigration of labour force?, Hansabanka.
- Strategies and means for the integration of immigrants in the European Union, 2006. Final Report, Committee on Civil Liberties, Justice and Home Affairs, European Parliament
- Unity in diversity integration of migrants in EU Member States, 2007. Presidency Conclusions, Informal Meeting of EU Integration Ministers, Potsdam, 10-11 of May.
- Vitorino, A., 2007. "Immigration: Opportunity or Threat?", Recommendations of the Gulbenkian Immigration Forum, Principia, Estoril, Portugal.

¹ National Lisbon Program of Latvia for 2005-2008, www.em.gov.lv