

RESEARCH ARTICLE

Social Mobility Aspects in European Union

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Abstract

The active mobility phenomena from one state to another inside European Union represents a constant characteristic of population. The main causes of the mobility are mainly social and economic. The population established in another EU Member State benefits of local financing programs or social integration programs to facilitate this process. The present paperwork underlines few aspects concerning the labour force occupation rate, and, the mobility rate registered in the EU member states with a focus on Romania. The is using official data from EUROSTAT and National Statistics Institute from Romania.

Keywords: *Social mobility, Occupying rate, Labour force, Mobility rate.*

Social Considerations Concerning the Population Mobility

The de facto situation (social and economic) in European countries is characterized by diverse and sometimes different economic relations between different regions, of important national and local social challenges, of social policies needing strong efforts in finding a common ground in this constant process of European enlargement. The main effect of this overall atmosphere is the constant development of this social mobility effect. The free population access and movement on one hand, and the free labour force movement on the other hand inside European Union brought to the consequence of individual free movement.

This movement was first for touristic purpose, and then to fulfill the social and economic needs unsatisfied in the origin country. The phenomena itself extended considerably for the persons coming from the European countries that are still facing important social problems. Among these countries we can place Romania, where still the society offers an insufficient level of community hopes and wishes. From a social perspective, the individual mobility became more important and became, day by day, an economic issue.

The population mobility [1] is a phenomenon inspired by the factors and conditions specific

for every historic development phases of the human society, from the most ancient times to present. The main mobility causes are the social and economic causes. By expanding this analysis to the 2010 – 2016 periods, we must take into consideration the 2008-2010 economic crisis effects over the society. The central and western European countries are more and more affected with problems regarding the quality and quantity of the labour force. The European Union started a program called "The European Union Program for occupying the labour force and social innovation" [2]. According to this program, the "coordinated strategy for creating workplaces, the worker's mobility and social progress" was proposed.

To sustain the workforce mobility an "aid for rehabilitation of carbon domain workers" (in 1960) was created. Throughout 1980-1985 there were launched few "action programs for labour force occupation with specific target groups".

In the same time, "in order to encourage the free movement and to support the workers in finding a place to work in another Member State, the ex SEDOC system was improved, and renamed as EURES (European Employment Services) in 1992." (quoted from [2] Policy of labour force occupation published by European Parliament in 2013). Also, the document proposes the Europe 2020 Strategy, and according to this document,

there is a special focus on” occupying the labour force and an intelligent, sustainable and favorable inclusion growth with a ten year’ period” inside EU. The financial instruments are gathering three programs to be implemented:

- PROGRESS-For occupying the labour force and social solidarity;
- EURES- The European Employment Service network for occupying the labour force at EU level;
- Microfinancing and social entrepreneurship.

The Labour Force Occupying Rate in EU

In the first phase, the labour force mobility at European level, even world level, determined a leveling of the labour market needs: the excess available labour force in de-structured economy countries (Poland, Hungary, Romania, Bulgaria, etc.), migrated towards the available labour places from the countries with a developed and sustainable economy

(Germany, France, Belgium, Sweden, etc.). As a direct effect of the mobility, one can estimate the **occupied labour force rate** indicator value, which represents the report between the occupied population and the total population between 15-64 years, with a percentage form.

The occupied population was defined as follows:” The occupied population consists of all the individuals – both employees and self-employed- which are carrying out a productive activity among the production limits from the European System of Accounts (SEC)”, according to [3]. By analyzing the information provided by the Statistics National Institute from Romania, the occupying labour rate in Romania [4], for 2007-2015 period, is presented in Chart. 1. The occupied population in 2015 was 9.159 thousand individuals, from which 8.535 thousand individuals were active, the difference is unemployed.

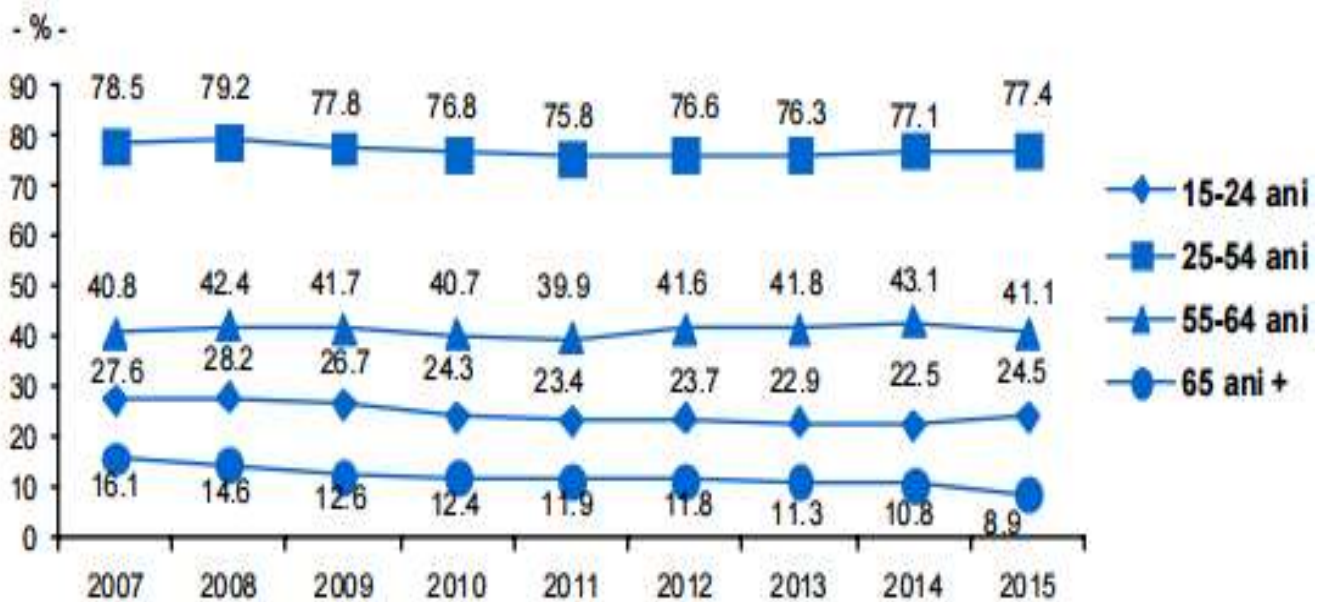


Chart.1. The evolution of the occupied labour force in Romania. Source [3]

Quantitative, the occupation rate of labour force (R_{ofm}) is calculated with the following equation:

$$R_{ofm} = P_{a\ 15-64} / P_{t\ 15-64} * 100, (\%) \quad (1)$$

where:

R_{ofm} - rate of occupied labour force (of population between 15 – 64 years)

$P_{a\ 15-64}$ – active population between 15-64 years

$P_{t\ 15-64}$ – total population between de 15-64 years

According to [5], Eurostat publishes in august 2015 the statistics regarding the labour force occupation in the European Union, taking into consideration the following indicator: rate of occupied labour force.

Table 1: Evolution of the indicator Rate of occupied labour force in EU. (Source: Eurostat 2015, [5])

European Union Member State	Year of analysis								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
	Value of the rate of occupied labour force %								
Austria, AT	69,9	70,8	70,3	70,8	71,1	71,4	71,4	71,1	
Belgium, BE	62,0	62,4	61,6	62,0	62,9	62,8	62,8	62,9	
Bulgaria, BG	51,7	64,0	62,5	59,7	58,4	58,8	59,5	61,0	
Czech Republic, CZ	66,1	66,6	65,4	65,0	65,7	66,5	67,7	69,0	
Cyprus, CY	71,0	70,9	69,0	68,9	67,6	64,6	61,7	62,1	
Croatia, HR	59,0	60,0	59,4	57,4	55,2	53,5	52,5	54,6	
Denmark, DK	77,0	77,9	75,3	73,3	73,1	72,6	72,5	72,8	
Estonia, EE	69,8	70,1	6,8	61,2	65,3	67,1	68,5	69,6	
Finland, FI	70,3	71,1	68,7	68,1	69,0	69,4	68,9	68,7	
France, FR	64,3	64,8	64,0	63,9	63,9	63,9	64,1	64,3	
Germany, DE	69,0	70,1	70,3	71,1	72,7	73,0	73,5	73,8	
Greece, GR	60,9	61,4	60,9	59,1	55,1	50,8	48,8	49,4	
Hungary, HU	57,0	56,4	55,0	54,9	55,4	56,7	58,1	61,8	
Ireland, IE	69,2	67,4	61,9	59,5	58,9	58,8	60,5	61,7	
Italy, IT	58,8	58,6	57,4	58,8	56,8	56,6	55,5	55,7	
Latvia, LV	68,1	68,2	60,3	58,5	60,8	63,0	65,0	68,3	
Lithuania, LT	65,0	64,4	59,9	57,6	60,2	62,0	63,7	65,7	
Luxembourg, LU	64,2	63,4	65,2	65,2	64,6	65,8	65,7	65,8	
Malta, MT	55,0	55,5	55,3	56,2	57,9	59,1	60,8	62,3	
Netherlands, NL	76,0	77,2	77,0	74,7	74,2	74,4	73,5	73,1	
Poland, PL	57,0	59,2	59,3	58,9	59,3	59,7	60,0	61,7	
Portugal, PT	67,6	68,0	66,1	65,3	63,8	61,4	60,5	62,6	
Romania, RO	58,8	59,0	58,6	60,2	59,3	60,2	60,1	61,0	61,4
Slovenia, SL	67,8	68,6	67,5	66,2	64,4	64,1	63,3	63,9	
Slovakia, SK	60,7	62,3	60,2	58,8	59,3	59,7	59,9	61,0	
Spain, ES	65,8	64,5	60,0	58,8	58,0	55,8	54,8	58,0	
Sweden, SE	74,2	74,3	72,2	72,1	73,6	73,8	74,4	74,9	
United Kingdom, UK	71,5	71,5	69,9	69,4	69,3	69,9	70,5	71,9	

For the 2007 (before the economic crisis), 2012 (the year when the crisis was finished), 2014 (the year of a first sign of stability after

the crisis), the labour force occupation rate evolution is presented in Chart. 2, for the population of the EU countries.

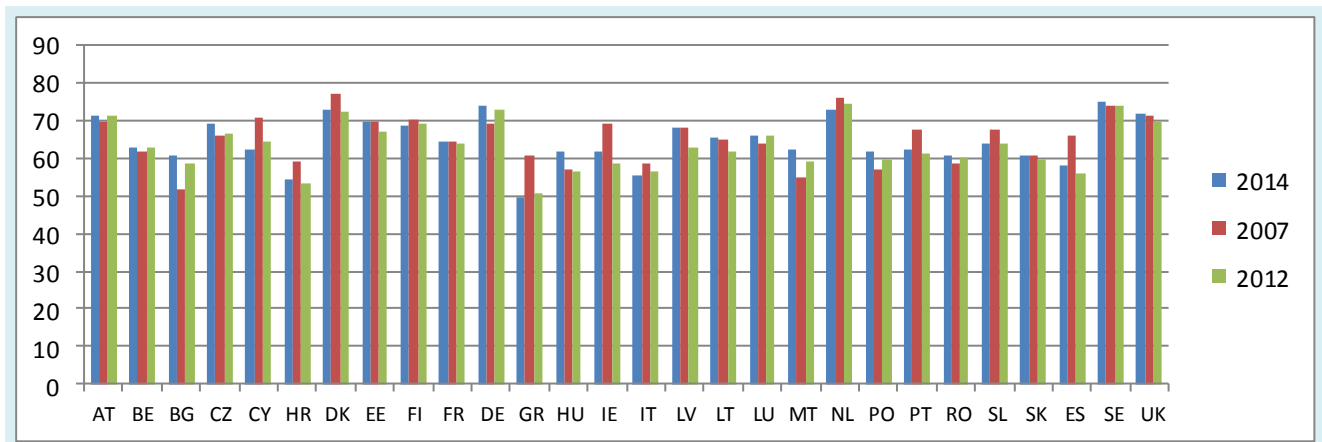


Chart 2. Rate of labour force occupation in EU Member States, %.
Source: Eurostat 2015, [5]

The analysis of the Chart 2 underlines the fact that the European countries with occupation rates at or over 70% (Denmark, Netherlands, Sweden, United Kingdom, followed by Germany, Finland, Austria) are in labour force deficit. By comparison with the countries which registered 50% occupation rate in 2014, the analysis proves that:

- There is still labour force availability,

- Eventually, there is still population involved in the EU population mobility process.

Population Mobility in EU

After the 2004 and 2007 enlargement, there was an EU Directive project concerning the services that was called The Bolkestein Directive. The name was given after the EU Commissioner name at the time. The main purpose of this directive was to put in practice a market of common services, and to

offer the freedom of location of the services providers and a freedom of services circulation between the EU Member States. The main philosophy behind this initiative was to allow the market itself the possibility to rebalance and to recreate equilibrium between the countries (markets) with labour force availability and the countries with unemployment problems but in the same time with trained human resources.

The Project was finally approved in 2006 with a very tough opposition of France, Belgium, Sweden and Denmark who were afraid of creating a new social dumping and these brought to massive street protests (100.000 people marched in Brussels on 21 March 2005) and the using of the famous expression “the Polish plumber” which referred to the fear that because of this Directive, a Polish plumber would be able to work in France under the Polish labour laws. The countries that shared this opinion immediately took transitory measures for offering a temporary protection of their labour markets. So that, the new EU entry countries had a 5 years period in which they didn’t have free access on the labour market (Germany and Austria voted for a 7-year period).

After the approval of the Directive 2006/123/EC we can speak of real mobility phenomena which are the base of the mobility rates calculated below.

The mobility is generated by the fact that, part of one state population is established in another EU Member State. The **mobility rate** can be defined as representing the percentage of active population (15-64 years) of one country, emigrated in another EU country in comparison with the active population of the origin country. The calculus relation is (2).

$$R_m = P_{as\ 15-64} / P_{t\ 15-64} * 100, (\%) \quad (2)$$

where:

R_m - mobility rate (of population between 15 – 64 years)

$P_{as15-64}$ – active population between 15 – 64 years

P_{t15-64} – total population between 15 – 64 years

The population mobility inside EU, is limited as weighted on the labour market because of the culture, religion, age, etc.

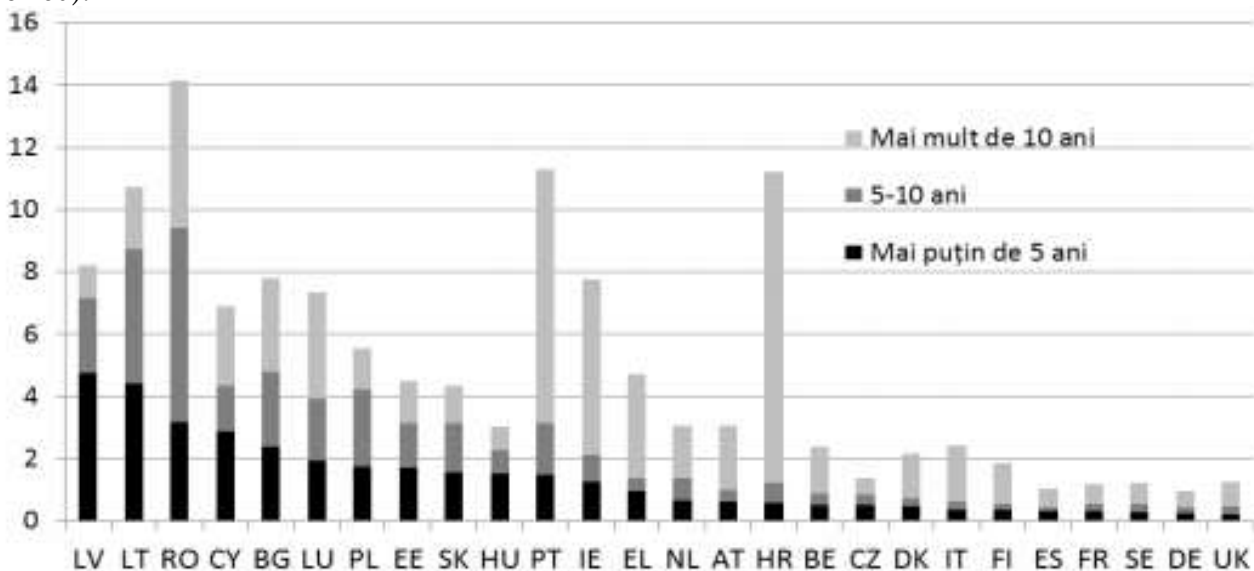
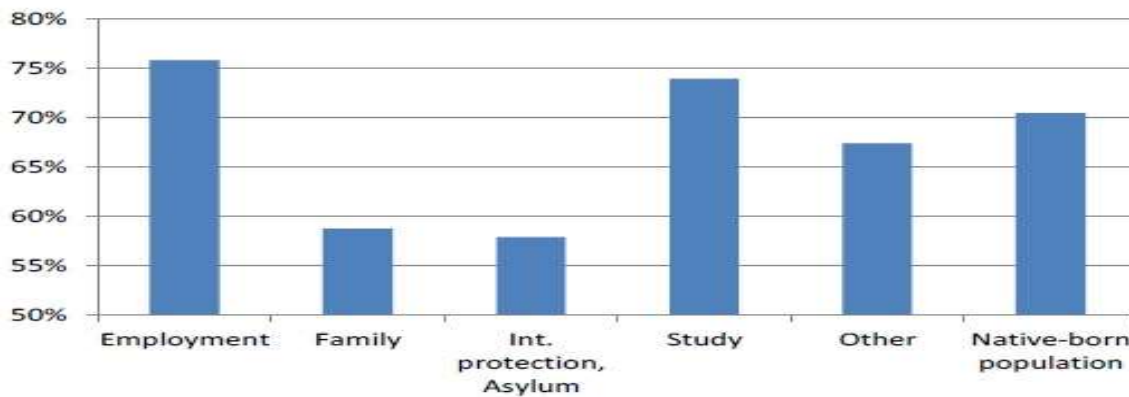


Chart. 3: Mobility rate, for each Member State, 2013

(Source: European Commission, http://ec.europa.eu/europe2020/pdf/2015/jer2015_ro.pdf)

The differences between the EU Member States are important [6] (Chart 3). The main causes of the mobility are of economic, cultural, medical and sometimes psychological. Also, very important in mobility process is the unemployment rate in the EU Member States.

The Labour Force Survey of 2014 is giving us the information concerning the main reasons why persons have migrated to the host country. The chart presents the results of an ordinal logistic regression on pooled data for 26 European Countries (the 24 European Union Member States plus Norway and Switzerland).



Source: LFS AHM 2014, 26 European countries

Chart. 4: Employment rates by reason for migration, age group 25-64 years, 2014

As we can see, the main reason for migration remains the employment need, which has a connection with the Directive 2006/123/EC main philosophy, immediately followed by the study reason.

Two important issues from this chart concern the family and refugees' reason, which are another form of migration and mobility. The refugees are starting to be more present in the EU Countries and basically, they are persons who came to seek international protection or to apply for asylum.

The matter is the under-performance of refugees and family migrants. Their migration was not an economic based decision, or those groups were not prepared for a migration and integration process. They migrated because of family regrouping or because of conflicts that occurred in their home countries. They are not economically prepared to integrate, they don't know the culture or the language of the host countries.

The Labour market performance of Refugees in the EU (working paper 1/2017) makes an interesting analysis in two parts:

- The basic model – that makes the association between the employment performance of individuals and their standard socio-demographic analysis characteristics (age, sex, education level (EDUC), the HOST country).
- The supplementary model – includes other relevant variables: LAGHOST – language skills; PAREduc – the parents' level of education; PARBORN – whether the parents are born outside the country of outside of EU; YEARESID – the total of

years a person already lived in the host country.

Model specification in a logistic regression (basic model)

$$\ln(p(EMPL) / (1 - p(EMPL))) = \alpha + \beta * X, X = [MIGREAS, COUNTRY, SEX, AGE, EDUC],$$

p(EMPL) –is the person's probability of being employed

p(.) / (1 - p(.)) –the person's chance of being employed

To reflect on the non-linearity of the model, it estimates the natural logarithm of the odds ratio $\ln(.)$, also called the 'logit', that depends on a vector X of the following explanatory variables:

- MIGREAS: the reason for migration,
- the COUNTRY where the person resides,
- a persons' SEX,
- his/her AGE, and
- EDUC: his/her education level.

Thus, all variables X are categorical. The parameter β is the estimated elasticity that shows, for each variable X, the impact on the logit. To derive β , for each variable X a reference category XR is being defined. β then reflects whether the (logarithm of) the employment chances are higher or lower for each category Xi, compared to the reference category.

For example, the reference category for the core variable MIGREAS is 'Born in this country' (natives). For MIGREAS = 'International protection & asylum' (refugees), it is found that β is negative (-1.03) which implies that refugees'

employment odds are lower than the natives'. The ratio of odds follows directly from β . It is equal to $e\beta$ because β is the linear coefficient not for the odds $p/(1 - p)$ itself but for its natural logarithm. That is, as $e1.03 = 0.36$, the chances for refugees of being employed is

only 36% relative. The following chart (no 5th) presents the chances of moving from unemployment or inactivity into employment or the vice-versa from employment to unemployment for the age 20-64 years:

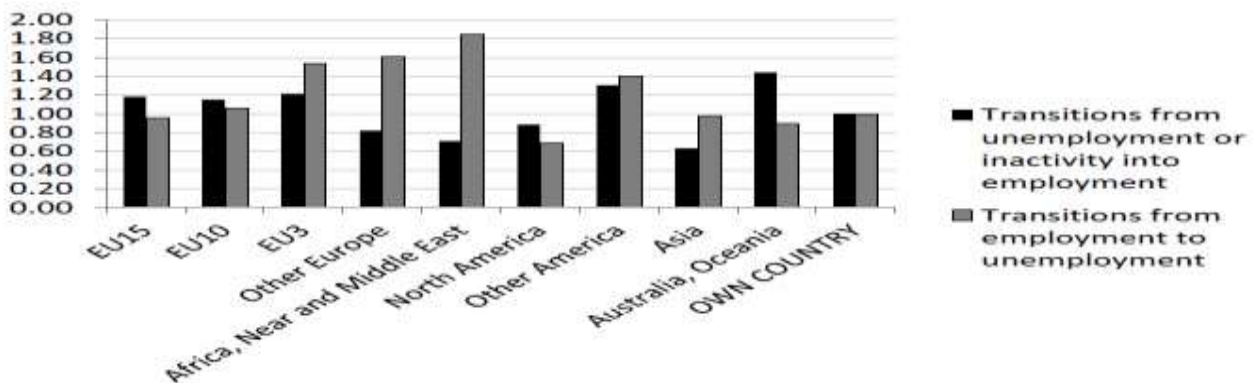


Chart 5: Chances to move from unemployment to employment and from employment to unemployment

If we try to understand the chart, one can see that the positive elasticity respects the age, the younger one is the higher is the chance of finding a job. If we take the EDUC data from the formulas, it is obvious that the higher education tends to improve people’s chance to find a job. The education concerns the movement from low to medium education and the moving from medium to higher education. Both situations are improving the chances of finding a job.

Taking into consideration the non-recognition or the level of recognition of their studies in the host country, these factors are excluding the migrants and are reducing their chances in finding jobs (even for the well-educated migrants in the origin countries). The chances for a refugee to be employed are 36%, which

means a little bit more than 1 person from 3 can be employed. The difference of 64% or (the two from three) will be a social assistant in the host country. If we match the insufficient labour force in some countries with the refugees, that will not be the absolute solution, because 1000 refugees, only 360 will be employed and 640 will become social assisted.

It is interesting to analyze the destinations of migrators from each country of European Union. These destinations are presented in the Chart 6 – The Global Flow of People, a project that created a circular plot [7] presenting the direction flows between 123 countries that recorded a migration volume of more than 100.000 people in at least two of the four-time periods.

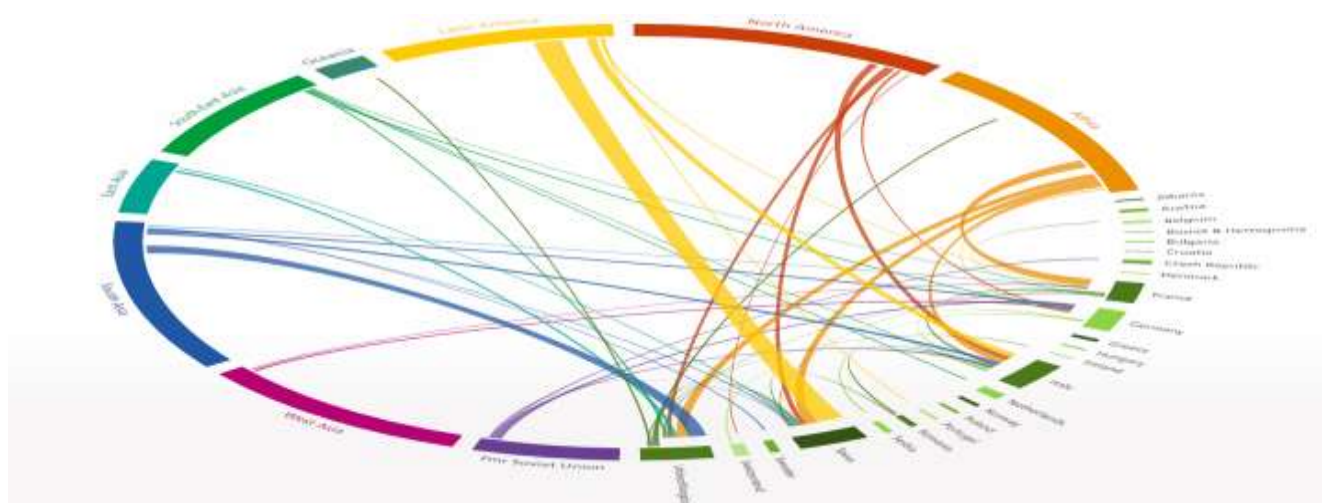


Chart 6: The global flow of people
Source: Nikola Sander, Guy J. Abel, Ramon Bauer – www.global-migration.info

Conclusions

The population mobility in the European Union can be considered as a social phenomenon, generated by individual and economic interests; this phenomenon is a characteristic of all EU Member States, because of the legacy and liberty of freedom inside European Union.

By analyzing the Chart 3, one can conclude that Romania is offering a 14% of the mobility rate; with almost 20% more than Lithuania, Portugal, Croatia, and with 40% more than Latvia, Bulgaria, Ireland. The explanation of these differences consists in the lack of places to work and the oversize of active specialized population in different economic areas in Romania. In the same time, the countries with a big level of occupation had availability towards this population, generally qualified, from medicine, engineering, construction, services, etc.

The migration labour force is needed in the European countries like Denmark, UK, Germany, France to create an equilibrium

between the need for workers and the big unemployment rates from some East European Countries.

The family and refugee's migrants exist, and are touching higher rates each year, but from the economical point of view only small percentages will find jobs or will integrate in the host societies, so the policies concerning those two types of migrants must be thoroughly analyzed before proposing the legislative solutions. Sometimes, one more employed person will not produce enough economic benefit to balance the social intervention for another two persons.

The migrants can be the solution for many European countries, but without proper policies of integration, there will be no positive solutions. In the same time, the state social intervention must be limited and to be targeted as an investment for the development of the society. Romania is a European Union country where one employee "supports" four social assisted persons, and this balance is not economically viable.

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