

## INTRODUCTION

This year, *In Focus* addresses the issue of the position of Hungary in the processes of international migration and how these processes (may) affect the labour market. The decision is justified by a series of events over the recent years. First, after a long period of a relatively low level of emigration the number of emigrants from Hungary started a steady and continuous increase around 2007, while in 2015 the massive wave of refugees arriving in Europe drew attention to international migration, and the possible consequences of immigration.

International migration is deeply embedded in the labour market processes of the countries affected; it has an impact on the level and structure of employment as well as on wage levels. From the perspective of the sending country, in the case of *emigration*, labour market-related motivations as well as the short- and long-term consequences of decreasing labour-supply must be considered. At the same time, *immigration* can also influence level of employment and wage levels in the receiving country.

The studies presented here intend to place Hungary in the context of international migration, both as a sending and as a (potential) receiving country. The first paper by *Ágnes Hárs* provides an overview of the processes of emigration, return migration and immigration to and from Hungary from a comparative perspective, looking both at the regional context and comparing to other EU Member States. A key conclusion of the throughout statistical analyses here is that although Hungary was somewhat late in joining in the recent East-West migration flows within Europe, after a substantial growth, annual emigration has by now reached the regional average and is not at all compensated for by immigration.

Following the first overview, Chapter 2 is analysing the main tendencies of *emigration* from Hungary in the past decade, focusing mainly on consequences in the labour market. The studies of Chapter 3. then take the perspective of the receiving country, and analyse the labour market consequences of *immigration*. Several studies in this chapter provide experiences from countries outside Hungary. This is because (so far) experience on the impact of immigration in Hungary is limited due to the relatively low number of immigrants in the country.

For the time being there is a shortage of standard labour market studies that would directly analyse the consequences of emigration in Hungary. The reasons are twofold: on the one hand, appropriate data is missing, on the other hand these processes are still relatively recent for causal relationships to be established. Therefore, the chapter on emigration includes a number of stud-

ies that explore the labour market implications indirectly, using a variety of approaches and methods. The (likely) labour market effects can be inferred from the extent and dynamics of emigration as well as from the social composition of emigrants. Various studies in this volume apply this approach. *Endre Sik* and *Blanka Szeidl* present the development of migration intentions, the so-called migration potential. Although migration potential is not directly related to realised migration, nevertheless it helps to understand the potential extent of future migration and the likely composition of emigrants. On the other hand, studies by *Zsuzsa Blaskó and Irén Gödri*, as well as by *Ágnes Hárs and Dávid Simon* address realised migration. While the former study presents the social and demographic composition of the general migrant population from Hungary using a variety of data sources, the study by *Hárs* and *Simon* examines changes in the number and composition of a narrower but nevertheless important group of emigrants – labour migrants – based on data from labour force surveys. A small but important group, particularly in terms of social consequences, is constituted by emigrants who go abroad for work, leaving behind a family with children. The boxed text by *Zsuzsa Blaskó* and *Laura Szabó* presents information on the number of families affected by this type of migration in Hungary.

Studies that focus on a specific subgroup rather than the entire heterogeneous group of emigrants help to better understand the expected labour market implications of emigration. Two studies in this chapter therefore concentrate on the submarket of medical doctors (*Ágnes Hárs* and *Simon Dávid*, and *Júlia Varga*) providing a detailed and accurate picture of the tendencies and the influencing factors in the emigration of medical doctors over the past 15 years in Hungary. The boxed text by *Christian Moreb* in turn focuses on a geographical segment: it is looking on Hungarian migrants in the United Kingdom. This study presents the main migration trends from Hungary to the United Kingdom as well as the labour market characteristics of Hungarians in the UK.

Although often neglected, emigration might also have positive effects on the sending country. These include remittances sent home by the emigrants (potentially contributing to the country's GDP to a significant extent), and also human capital accumulated abroad and consequently invested at home by returning migrants. *László Kajdi's* analysis presents the development of the volume of remittances sent home by Hungarian emigrants and also addresses measurement challenges. *Ágnes Horváth's* study provides an overview on return migration to Hungary and also presents the main conclusions from research studies on the topic from other countries of the region. The boxed text by *Judit Kálmán* addresses the same issue by reviewing the international experiences from return migration policies. These latter studies further refine the simplistic dichotomy of emigration and immigration. This is especially im-

portant because – as it clearly emerges from the introductory study by *Ágnes Hárs* as well as from *Christian Moreh's* piece – it is highly misleading to discuss emigration as a one-way process. Today's migration flows in Europe are especially characterised by *fluidity*, a series of out-, return and also remigrations.

Chapter 3 addresses immigration by looking at the potential labour market effects in the receiving countries. *Irén Gödri* applies population census data to show what factors shape the employment chances of immigrants in Hungary and how labour market chances differ across different groups of immigrants. The analysis suggests that the labour market indicators of immigrants in Hungary are not only comparable to those of the total population but they even surpass them. The labour market advantages of the immigrants according to this study are mainly due to their composition, most importantly to their high average level of education. These findings are further nuanced by *Róbert Károlyi's* boxed text, which argues that the employment differentials between immigrants and those born in Hungary can not only be linked to differences in their composition but also to the particular labour market implications of their social and demographic characteristics. *János Köllő's* boxed text puts these findings into a wider context. It shows that although the labour market advantages of immigrants compared to the national population among the 15–64-year olds found in Hungary are rather exceptional in Europe, when a wider cohort is being looked at we find that the increase in the number of immigrants has in fact contributed to the growth of employment in a number of European countries before the economic crisis to a significant extent.

The literature review by *Katalin Bördös*, *Márton Csillag* and *Anna Orosz* summarises the findings from a range of studies that examine the impact of immigrants on employment and wage level in receiving countries. These suggest that the short-term impact of immigration on the labour market is negligible, while the long-term effects tend to be positive. In their empirical study *Dániel Horn* and *István Kónya* examine the relationship between cultural and economic assimilation using international survey data. Their findings on 16 countries confirm the conclusion (suggested also by *Irén Gödri*) that linguistic assimilation is a key predictor of labour market success among immigrants.

The last chapter of *In Focus* by *Judit Tóth* presents and explains the key legal categories used in the discourse on migration.

When editing *In Focus* we aimed at presenting the constantly moving flows of migration based on data as up-to-date as possible. In some cases this meant that the analysis given here is based on data that just became available at the beginning of 2016. However, in other cases authors had to return to the 2011 Population Census in order to answer particular questions (e.g. on the situation of immigrants in Hungary). Naturally, this raises the issue of timeliness; however considering the significance of the topics in question and the

lack of more recent data, we decided that we can not avoid returning to these datasources.

The studies in this volume do not directly reflect upon the refugee crisis Europe is currently facing. The reasons for this are two-fold. First, from a labour market perspective it makes no difference whether immigrants looking for work have arrived in the country as refugees or as (economic) migrants. Assuming that other factors are equal, the potential labour market implications are similar and are also being shaped by similar factors in both cases. Therefore the findings of *In Focus* studies exploring issues around the integration of immigrants are also valid for the labour market integration of refugees. Second, as highlighted earlier, *In Focus* addresses migration flows affecting Hungary that are relevant from a labour market perspective. For the time being however, the masses of refugees arriving in Europe either completely avoid Hungary or if they enter the country they use it as a transit route and do not wish to settle and find employment here.