Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Tomáš Ducháč
Advisor:	Wadim Strielkowski
Title of the thesis:	Labour market restrictions and migration flows in the European Union: the case of Belarus, Moldova and Ukraine

OVERALL ASSESSMENT

The thesis addresses an important issue: It attempts to shed light on the question of whether the EU should expect large immigration flows should workers from Moldova, Ukraine or Belarus be allowed easier access to the EU labor markets. As of 2010, there were almost 7 million Ukrainians living abroad and only about half a million of these were in the EU.

Migration flows into the rest of the EU from Poland, Bulgaria and Romania were strong at first after accession, but subsided within about four years. This timing, however, corresponded to the onset of the crisis period. Similarly, the country-level migration flows from Ukraine, Moldova and Belarus used in the thesis cover the crisis period (2008-2012) and it is important to qualify the predictions with respect to this key fact.

The thesis combines several data sets and attempts to conduct an ambitious prediction exercise; it is best judged on intent rather than on contribution as it is difficult to contribute in this area. The core of the thesis consists of regressions, conducted separately for each of the three sending countries, of recent annual migration flows into the EU on aggregate wage and unemployment levels in the sending country. These regressions have effectively only 5 degrees of freedom (there are only 5 values for unemployment and wages in the data) and so they cannot be taken too seriously. (A typo on p. 37: v_i is not a country-specific error, but a region-specific error.)

Sugested questions for the defense:
- What are the failings and successes of the several studies trying to predict the immigration flows following the 2004 accession wave? Which prediction approaches have been more successful? Are recent studies (e.g., Fertig and Kahanec, 2013) reflecting lessons learned from the studies predicting impact of the 2004 wave?
- The thesis uses recent migration flows observed in face of legal restrictions to migration from Ukraine to the EU to predict the potential migration effects of Ukraine's EU accession (or that of some other lifting of mobility restrictions). The alternative approach would be to use the recent experience of Bulgaria and Romania to run a regression that would then be filled with data on Ukraine to predict flows from Ukraine following accession. What are the advantages and disadvantages of these two approaches?
- Similarly, what makes an analysis of regional population flows in Ukraine informative about the potential impact of Ukraine's EU accession on immigrant flows? For example, have previous studies uncovered a strong correlation between population within-country mobility and across-country migration potential? Or: are the coefficients presented in Table 3 stronger (suggesting more overall mobility) than those uncovered in studies of other countries using similar data?

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY		POINTS
Literature	(max. 20 points)	12
Methods	(max. 30 points)	10
Contribution	(max. 30 points)	12
Manuscript Form	(max. 20 points)	12
TOTAL POINTS	(max. 100 points)	**46**
GRADE	**(1 – 2 – 3 – 4)**	**3**

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NAME OF THE REFEREE: Stepan Jurajda

DATE OF EVALUATION: **June 5, 2014**

Referee Signature