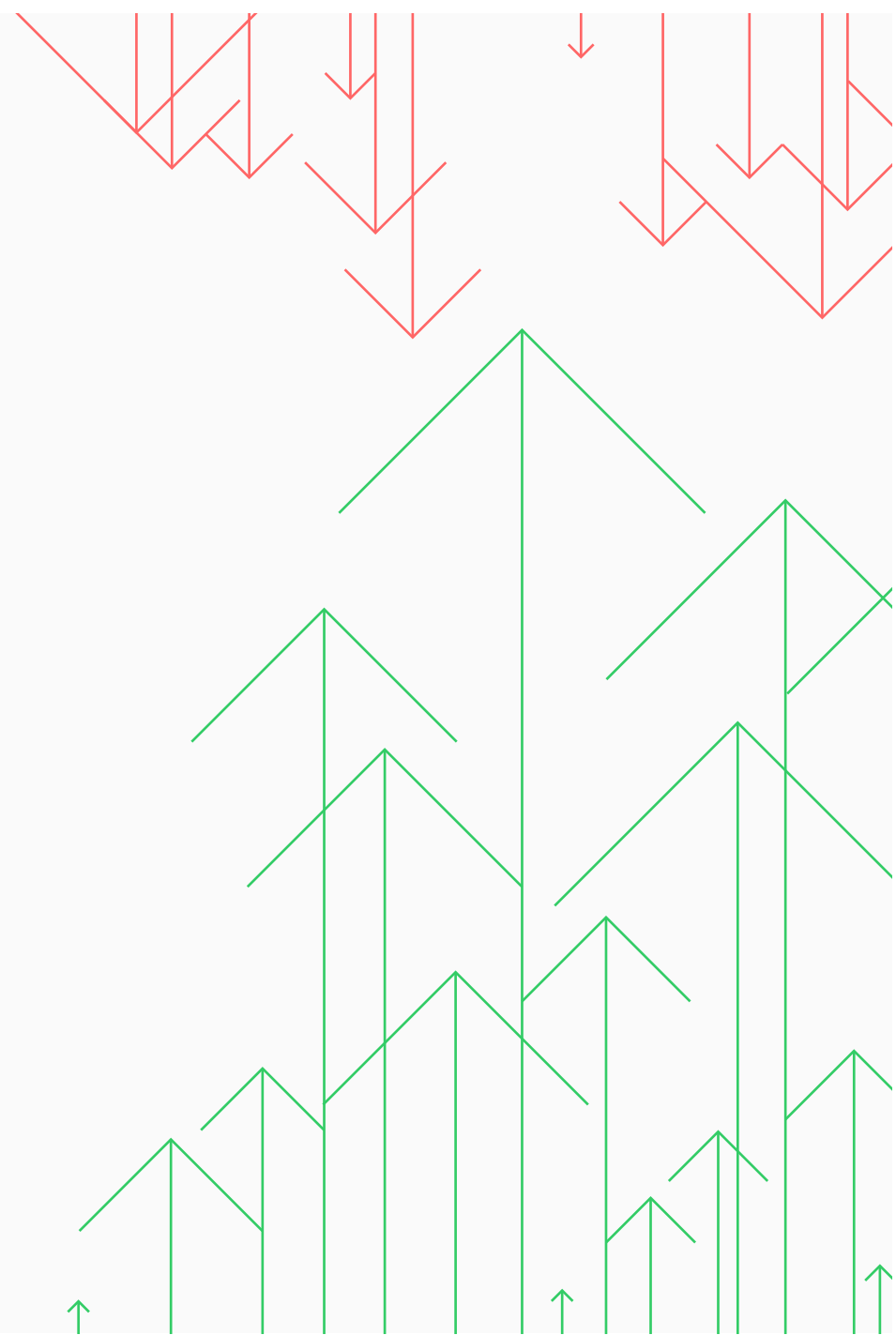
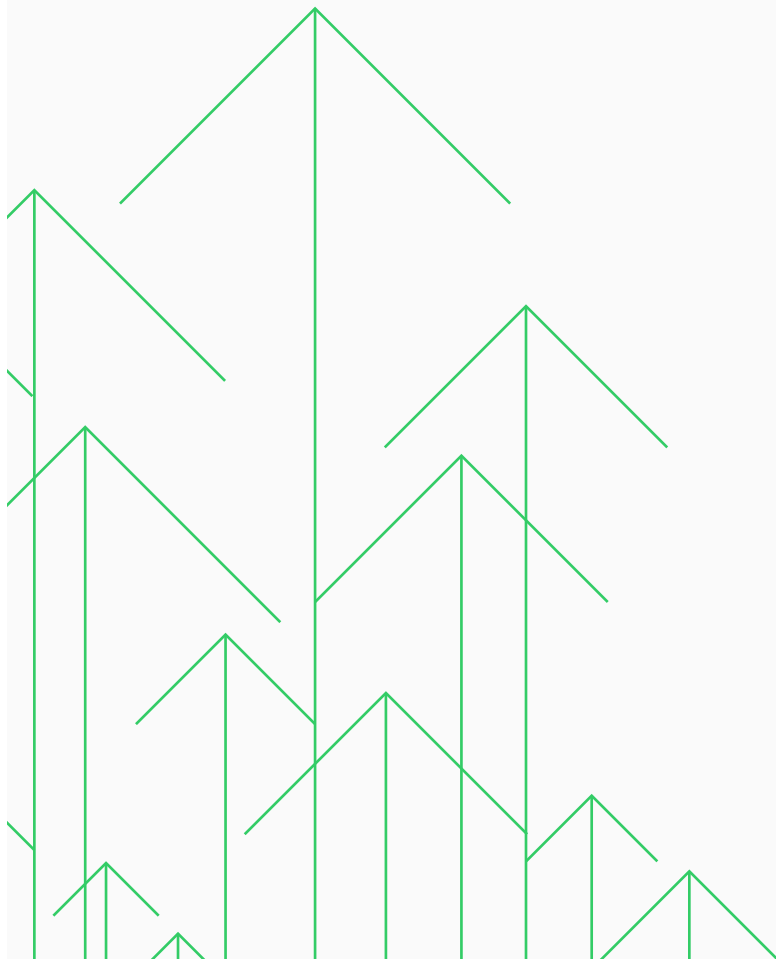


# Migration Attractiveness Index 2017



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Mobility of the population is one of the most important social trends in the world. The prospect of a better job, better living conditions and personal development are the principal motives that cause people to emigrate. Economic migration is on the one hand an opportunity, but on the other a challenge for modern states as well, because developed countries need “new” workers in order to maintain a competition advantage in the global world or in order to ensure stability of the pension system. At the same time, the question of how to successfully integrate foreigners into the host country is still unresolved, and thus the question of migration will continue to be a subject of social and political debate.

The demographic transformations that are taking place are becoming the main factor affecting how developed countries function. Change is particularly noticeable in Central and Eastern European countries. This is due to aging of society and the fact that generations cannot be directly replaced due to a low birth rate. Migration processes are also having an adverse effect on the demographic situation. It was precisely from this region that emigration was observed on the largest scale in Europe at the beginning of the twenty-first century. It is being pointed out more and more frequently that the solution to the emerging problems is to manage the flow of migrants. The examples of **Germany, Sweden, or the United Kingdom show that immigrants might have a major part to play in modern economies**. These are examples of immigration states which have built their “power of attraction” based on notable differences in social conditions, the situation on the labour market, or for example the quality of life of society. There is no example in the European Union of a country which has achieved the highest rate of economic growth and quality of life of its citizens without inflow of immigrants in the past.



EU enlargement in the twenty-first century has led to increased diversity between individual Member States. It can therefore be concluded that within the EU a considerable disproportion is beginning to emerge with regard to attractiveness of countries for potential immigrants. It is also thought that attractiveness of a particular country to immigrants derives from the level of its economic advancement. However, this appears to be an oversimplification as far as an approach to evaluating such a complex process as population migration is concerned. This is because this method of evaluation does not take into consideration other economic, social, historic, or geographic factors. It is precisely the existence of a range of “attractive” factors that determines which countries are ultimately the most attractive for foreign populations. The simplest approach to analysis of migration attractiveness of particular countries is immigrant supply and the percentage of foreigners making up the host society. With respect to many countries, for example Latvia or Estonia, [.....]

Numerous attempts have been made in the past to assess and formulate a ranking of countries’ attractiveness to immigrants. One example is the **Global Migration Barometer**<sup>1</sup> of 2008, drawn up by the Economist Intelligence Unit. The **MIPEX**<sup>2</sup> provides systematic information about the integration policies of European countries. An attempt to do this has also been made in CEED Institute reports on migration. An index of immigration attractiveness of countries was included in the 2015 report **“A one-way ticket? Migration in Europe from the perspective of CEE countries”**<sup>3</sup>. While the report was praised, some flaws in the report were also pointed out, and it became advisable to redraft it and modify the methodology used for ranking countries.

Under the modified methodology for research into migration attractiveness of countries, factors are identified which migrants consider to be the most important when deciding the country of destination. Out of several dozen factors, the factors chosen were those that seemed to be the most important and have a significant effect on attractiveness of a particular country. In addition to being informative, the findings also have a purely practical element. More and more frequently, countries have to compete with each other to find labour, which is a situation that favours the jobseekers. An index can therefore be used as a guide and suggest ideas for people who are considering seeking work in an EU country. The data provided is universally available, and the trends it describes are frequently discussed in the media. By the same token, the ranking presents in an orderly fashion the information that may determine the choice of destination country.

<sup>1</sup> [http://www.un.org/esa/population/meetings/seventhcoord2008/GMB\\_ExecSumEIU.pdf](http://www.un.org/esa/population/meetings/seventhcoord2008/GMB_ExecSumEIU.pdf)

<sup>2</sup> <http://www.mipex.eu/>

<sup>3</sup> Duszczyk M., Matuszczyk K., (2015), A one-way ticket? Migration in Europe from the perspective of CEE countries, Central and Eastern Europe Development Institute, Warsaw 2015.

The index was drawn up from the point of view of a person seeking permanent employment in a country other than the one in which they are currently. This statistical migrant is a person planning to emigrate for a period no less than twelve months. This means that the person has to take more information into consideration than would be needed in the case of short-term migration. This is because only in cases of this kind does it become likely that the person will make use of the health service, social security system, and the artistic and cultural or educational opportunities, rendering the person's activity comparable to the way of thinking of the indigenous population.

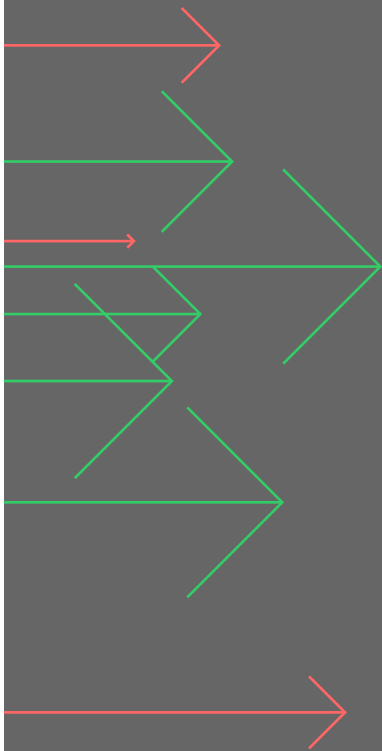
In the research methodology, 14 different indicators were considered, while it was assumed that the value of indicators such as GDP per capita, the net annual income median, and the severe material deprivation rate were doubled. This is because these were deemed to be crucial when making migration decisions, especially those concerning earnings.

The index was drawn up in the form of a ranking in which scores were awarded for certain values of the indicators, so that **1 point** was awarded for the lowest value for a particular indicator, and **28 points** were awarded for the highest value (where a multiple was used with respect to indicators, the lowest score was 2 and the highest was 56). Once all of the elements of the results were added together, a ranking was created of migration attractiveness for the 28 EU states.



## Indicators used in the research:

1. **Unemployment rate** –Eurostat, 2016.
2. **GDP per capita** - World Bank, 2016.
3. **Median of annual income (PPS)** – Eurostat, 2015.
4. **Cost of living index** – food products price index, according to prices in New York, numbeo.com, 2017.
5. **Rent Index** – index of prices of renting accommodation according to prices in New York, numbeo.com, 2017.
6. **Law and order index** – percentage of respondents who feel safe walking in the vicinity of their residential dwelling in the evening, have confidence in the police, and have fallen victim to crime in the last 12 months, Gallup, 2016.
7. **Family benefits in euro** – the amount of funding of a family with two children in the course of a year, PwC, 2016.
8. **Severe material deprivation rate** – the percentage of persons in households who say that they cannot afford 4 out of 9 defined items, Eurostat, 2015.
9. **Access to the health service** – MIPEX, 2014.
10. **Positive attitude towards immigration from outside of the EU** – the percentage of respondents who believed in 11/2016 that immigration from outside of the EU was a positive thing, and a very positive thing, Eurobarometer, 2016.
11. **Social expenditure on unemployment** – PPS per inhabitant, Eurostat, 2014.
12. **Fragile States Index** – index that measures the overall stability of countries, based on 12 different partial indicators; Fund for Peace, 2016.
13. **KOF Index of Globalization** – index that measures the economic extent of globalisation, analysing flow of capital and restrictions on trade, ETH Zurich, 2016.
14. **Ease of doing business** – the higher the value in the ranking, the better and simpler the regulations are for conducting business activity, and the greater the protection of private property, World Bank, 2016.



● – highest value  
● – lowest value

Location	Score	Unemployment rate	GDP per capita	Net annual income median	Cost of living index	Accommodation rent index	Law and order index	Family benefits in Europe	Severe material deprivation rate	Access to health care	Positive attitude to immigration from outside of the EU	Social expenditure on unemployment	Fragile states index	Economic extent of globalisation	Ease of doing business
1 Austria	369	6.0	43 775.0	21 981	71.52	25.86	85	4 958	3.6	63	36	579.87	27.5	83.25	78.92
2 Sweden	361	6.9	50 579.7	21 215	78.88	26.86	81	2 832	0.7	62	64	368.22	22.6	80.56	82.13
3 Luxembourg	360	6.3	101 147.0	29 285	77.28	49.95	81	7 304	2.0	43	49	954.91	24.1	91.80	68.81
4 Denmark	351	6.2	51 989.3	20 384	83.02	35.02	85	3 399	3.7	53	31	553.01	21.5	81.77	84.87
5 Finland	343	8.8	42 311.0	19 430	73.06	26.95	87	2 505	2.2	53	38	780.54	18.8	82.23	80.84
6 The Netherlands	334	6.0	44 299.8	19 389	72.47	32.45	81	1 033	2.6	55	44	562.53	28.2	90.89	76.38
7 Ireland	331	8.0	61 133.7	17 705	76.98	40.64	80	3 360	7.5	58	56	894.19	22.5	93.08	79.53
8 Germany	328	4.1	41 313.3	20 342	65.50	25.35	83	5 003	4.4	43	41	385.85	28.6	61.08	79.87
9 United Kingdom	304	5.3	43 876.0	17 714	69.49	30.98	79	2 300	6.1	64	49	129.03	32.4	67.62	82.74
10 Belgium	301	8.0	40 324.0	19 954	75.36	29.64	77	4 127	5.8	53	39	1 107.51	29.0	85.95	73.00
11 France	275	9.9	36 205.6	19 885	74.89	24.83	75	6 772	4.5	50	35	609.53	34.5	66.53	76.27
12 Spain	253	19.6	25 831.6	14 463	54.98	18.83	80	970	6.4	53	52	642.11	39.8	74.80	75.73
13 Czech Republic	252	4.0	17 548.3	11 652	41.22	14.83	77	1 126	5.6	44	14	146.53	40.8	82.89	76.71
14 Slovenia	247	7.9	20 726.5	15 102	53.24	14.06	82	1 996	5.8	18	28	161.43	33.9	74.37	76.14

- – highest value  
● – lowest value

Location	Score	Unemployment rate	GDP per capita	Net annual income median	Cost of living index	Accommodation rent index	Law and order index	Family benefits in Europe	Severe material deprivation rate	Access to health care	Positive attitude to immigration from outside of the EU	Social expenditure on unemployment	Fragile states index	Economic extent of globalisation	Ease of doing business
15 Malta	245	4.8	22 596.2	16 681	62.80	23.20	82	900	8.1	45	23	126.43	39.6	90.28	<b>65.01</b>
16 Estonia	240	6.2	17 118.5	10 423	49.50	13.98	75	1 570	4.5	27	14	90.38	43.4	86.11	81.05
17 Portugal	238	11.2	19 222.2	10 317	49.19	16.77	79	1 625	9.6	43	48	303.11	29.2	81.35	77.40
18 Poland	204	6.3	12 554.5	9 957	38.15	13.93	73	1 883	8.1	26	28	50.47	40.7	75.72	77.81
19 Italy	197	11.9	29 957.8	15 395	<b>83.70</b>	21.49	72	1 430	11.5	<b>65</b>	24	436.45	43.1	67.02	72.25
20 Slovakia	186	9.7	16 088.3	10 220	44.90	16.49	72	1 078	9.0	31	16	115.97	44.9	83.63	75.61
21 Cyprus	185	15.1	23 242.8	15 313	56.99	13.10	72	760	15.4	31	22	425.70	<b>64.0</b>	83.11	72.65
22 Hungary	166	6.8	12 363.5	7 938	42.77	12.67	71	1 952	19.4	40	15	74.16	52.7	86.85	73.07
23 Croatia	163	16.3	11 535.8	8 259	48.00	10.09	80	1 414	13.7	20	41	77.42	52.4	72.79	72.99
24 Lithuania	160	8.0	14 147.0	8 251	46.73	13.25	70	432	13.9	26	26	72.91	42.4	75.48	78.84
25 Latvia	154	9.7	13 648.5	8 108	47.83	10.20	70	1 321	16.4	<b>17</b>	<b>13</b>	102.15	47.4	80.79	80.61
26 Romania	148	6.0	8 792.9	<b>4 357</b>	<b>35.63</b>	9.59	67	491	22.7	45	35	<b>22.07</b>	52.9	68.60	74.26
27 Greece	136	<b>24.9</b>	18 002.2	8 810	55.87	12.09	74	320	22.2	27	27	208.43	55.9	71.39	68.67
28 Bulgaria	120	7.7	<b>6 993.5</b>	6 882	36.49	<b>8.91</b>	<b>66</b>	<b>21</b>	<b>34.2</b>	28	15	71.29	53.7	77.02	73.51

## Conclusions:

- The country that is most attractive for economic migrants is Austria.** This country stands out among EU countries due to having one of the lowest rates of unemployment, a high earnings median, and a high level of funding for families with children.
- The next country which is attractive with respect to permanent migration is **Sweden**, which for many years has had the lowest level of material deprivation and has had a society open to immigrants.
- The country in third place, which comes close behind Sweden, is **Luxembourg**. This country has excellent conditions for conducting business activity, residents in the country feel safe in public, and social expenditure on unemployment is among the highest in the EU. In addition to a high level of social and economic development, **Luxembourg has the highest percentage of foreigners in overall society of all of the 28 EU countries – almost 47%.**
- The two remaining Scandinavian countries have high positions in the ranking. The societies of both Denmark and Finland are wealthy in terms of GDP per capita, the earnings median, and funding for families with children.
- Germany and the United Kingdom**, which from 2004 onwards saw the highest level of inflow of foreigners from the “new” EU Member States, only take 8th and 9th place respectively. This can be explained on one hand by the immigration policy of those countries, and migration networks as well. These two issues are issues that were not taken into consideration in the index due to difficulties with quantifying those factors.
- Central and Eastern European countries are still not very attractive for economic migrants. The dominant type of immigration in this region is seasonal, mainly from Russia, Ukraine, and Belarus.
- Among the Central and Eastern European countries, the most attractive country is the Czech Republic.** This country is only 13th in the ranking however. It should be noted in particular that the country has **the lowest rate of unemployment of all 28 EU states (4%)**. Moreover, the cost of living in the country is relatively low.
- Poland is in eighteenth place, below, for instance, Estonia and Malta. The factor that might be especially attractive for economic immigrants to Poland is low prices of products and services and prices of renting accommodation. The introduction of the child allowance scheme 500 plus might also be a factor in the choice of Poland as an attractive place to settle with a family and take up employment. Discouraging factors might be low earnings and expenditure on social benefits for the unemployed.
- When compared to other Eastern and Central European countries, Poland is seeing the highest rate of growth in the earnings median, which, in light of the current macroeconomic forecasts, could cause inflow of foreigners.
- Poland and countries which are the least attractive need first and foremost to raise the standard of living of citizens. Only then will it be possible to build a society open to immigration and make effective use of the potential of immigrants.



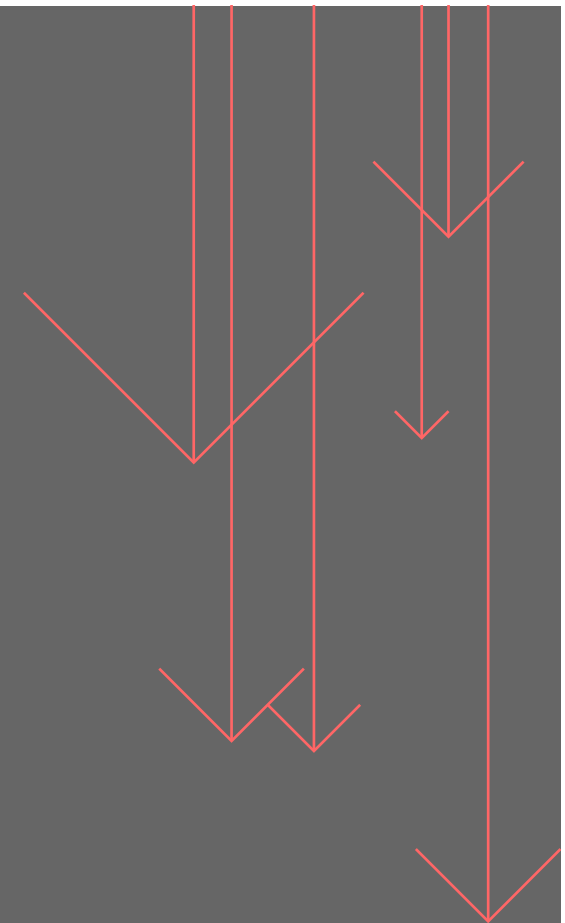
- The country in last place among all of the states is Bulgaria, which in the overall list earned a score three times lower than that of Austria. Despite a relatively low rate of unemployment, this country has the worst result in four categories, compared to the rest of the EU countries. The cost of renting accommodation and the cost of living in Bulgaria are among the lowest, but the population in Bulgaria does not feel safe on the streets, and families with children can expect funding from the state at a level several dozen times lower than in Austria or Luxembourg.

- The example of Romania demonstrates that migration attractiveness of countries should not be analysed according to one particular variable – Romania had the lowest rate of unemployment in 2016, and at the same time the lowest rate of earnings, in the EU.

- The results obtained do not differ significantly from the ranking of 2015. The first two places were taken by Austria and Sweden, while Greece and Bulgaria continued to be the least attractive countries.

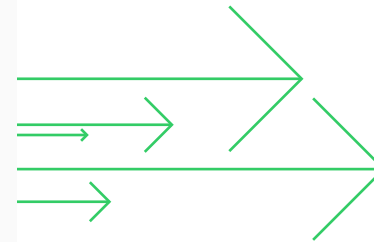
- The issue of the terrorist threat in Western European countries, and the presence of refugees and escapees entering a number of EU states on a massive scale, will be an increasingly important factor in determining the attractiveness of a particular country as a place to live and work. This might lead to increased interest in emigration to countries that say they are against receiving refugees – the Visegrad Countries, where the terrorist threat is among the lowest in Europe, might gain. No data is available yet however that illustrates the potential increase in interest in migration among Europeans.

- The regularly improving situation on the labour market, in particular the rise in earnings and improving level and quality of life, will give rise to interest in the region of Central and Eastern European countries among people who are mobile, not only of EU origin.



“Developed countries are competing more and more to attract immigrants who on the one hand are suitable for their labour market, and on the other would not be source of problems with regard to integration. The latest immigration attractiveness index reveals that CEE countries are falling behind in this race, although some positive changes can be seen in this regard. It is difficult to assume however that the rate of economic growth and increase in earnings in countries in the region will reach the level in the countries that are most attractive for immigrants any time soon. For this reason, other factors listed in the index should also be taken into account. An improvement in these factors should have a positive effect on attractiveness of CEE countries and make it possible to compete with other countries when it comes to attracting the most desirable foreigners”.

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