

Workshop Wealth Formation by Migrants

Organizers: Stefan Markowski and Paweł Kaczmarczyk (Centre of Migration Research, University of Warsaw)

Papers:

Stefan Markowski (Centre of Migration Research, University of Warsaw): Economic Migrants as Investors: Wealth Formation and Migration

Godfried Engbersen (Erasmus University, Rotterdam): Labour Migration from Central and Eastern Europe: Differentiation, Stratification & Wealth Formation

Izabela Grabowska (Centre of Migration Research, University of Warsaw and University of Social Sciences and Humanities SWPS): Non-material wealth formation through social remittances: A perspective of an enlarged European Union

Justyna Sarnowska (University of Social Sciences and Humanities in Warsaw and Centre of Migration Research, University of Warsaw): Non-material wealth accumulation through international migration in the process of transiting from education to the labour market.

Abstracts

Stefan Markowski: Economic Migrants as Investors: Wealth Formation and Migration

There has long been a tendency in the economics literature to treat cross-border mobility of people as the movement of wage earners between origin and destination countries to arbitrage wage differentials and disparities in employment conditions between different national markets. This representation of cross-border mobility of people is often associated with the neoclassical economic theory of migration where wage earners are rational utility maximisers seeking highest expected earnings net of migration costs. A segment of the migration literature has extended this approach to view migration as an investment in human capital, where migrants maximise returns from their human capital endowments. However, there is a paucity of scholarly work about peoples' choices of destination, their mode of cross-border mobility and their portfolios of human, social, financial and physical assets. Also, it is important to consider immobility as well as mobility of people since the vast majority of the world population is not internationally footloose. The aim of this presentation is to review the extent to which the existing migration literature has addressed the concept of economic mobility of people who are increasingly managing complex portfolios of spatially dispersed human, physical, financial, and social capital assets as well taking advantage of access to collectively-owned assets provided by national governments.

Godfried Engbersen: Labour Migration from Central and Eastern Europe: Differentiation, Stratification & Wealth Formation

Migration from the EU Member States in Central and Eastern Europe (CEE) has evolved into one of the main migration flows within Europe, especially to Northern and Western European countries. I will analyze two aspects of the current EU labour mobility regime within the enlarged European Union. Firstly, I will show that the current EU labour regime has contributed to a highly diverse and stratified nature of contemporary labour migration. Research shows that CEE labour migrants engage in circular and temporary labour mobility, but also in mid-term and long-term settlement migration. Secondly, I will show that these migrants develop different patterns of wealth formation. I will make use of data from a survey among 654 labour migrants from Poland, Romania and Bulgaria residing in the Netherlands, and of data from a follow up study among a subsample of 80 labour migrants. These empirical studies make it possible to document the *diversity* as well as the *dynamics* of contemporary patterns of mobility. Furthermore, I use data from a European research project on the urban governance of CEE migration. For this research we used a combination of desk research (document analysis) and semi-structured interviews with local and national policy-makers in the Netherlands (in total, 37 interviews were held plus one focus group interview with 16 participants).

Izabela Grabowska (Centre of Migration Research, University of Warsaw and University of Social Sciences and Humanities SWPS): Non-material wealth formation through social remittances: A perspective of an enlarged European Union

The concept of *social remittances* was coined by Levitt (1998 and later) to distinguish the non-material outcomes of migration from the financial ones in the migration-development nexus. She developed this theoretical toolkit to define the diffusion of ideas, values, beliefs, norms of behaviours, aspirations, practices and social capital in migration space. This paper argues that acquisition and transfer of social remittances in the context of EU free movements helps to flexibly form the non-material wealth of migrants and their eventual followers at both individual but also organisational and community levels. The paper is based on the 36 months panel project *Harmonia Cultural diffusion through social remittances between Poland and UK* (cooperation of Centre of Migration Research and University of Roehampton) where 130 in-depth interviews along with ethnographic screening were conducted in three trans-local communities of: Podlasie, Silesia and Lower Silesia regions of Poland and their ends in various places in the UK (multi-sited approach).

Justyna Sarnowska (University of Social Sciences and Humanities in Warsaw and Centre of Migration Research, University of Warsaw): Non-material wealth accumulation through international migration in the process of transiting

Skills and competences are important part of wealth productivity in the knowledge society. International mobility may facilitate accumulation of both material and non-material resources. This paper focuses on accumulation through international migration the non-material resources such as skills and competences. Special attention is paid to young university graduates who transited directly from Polish education to the foreign labour market. The transition is therefore defined here as a non-one-time event but as a sequential process, life stadium, and life phase. While transiting graduates accumulate specific skills, competences and knowledge as a sum effect of what they obtained in Poland and what they acquired abroad. These non-material assets under certain conditions may be converted into economic profits. Therefore, the main aim of this paper is to identify what kind of skills and competences young migrants accumulate during the process of migration and how they

convert them into economic gains both abroad and in the Polish labour market, after return. What are the outcomes of skill accumulations for their later careers? Is there any financial premium of foreign work experience to the after-return labour market performances? These issues are investigated by using the Qualitative Longitudinal Research. There are planned two waves of the panel. This paper reports however on the results obtained from the first wave. The research focused on the group of young Poles aged 25-34 who principally graduated from universities in Poland but later they could also got degrees abroad and without any experience on the Polish (native) labour market went abroad to work or to work&study.