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# Fiscal Balance, Aging Society and Migration Flow in European Union

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## Abstract

This article seeks to analyze the positive impact of migrant workers in developed countries, which encourages fiscal balance. Over the past few decades, developed countries, including the European Union, have experienced a grey population, so the Labor Force has decreased. On the other hand, the European Union is obliged to pay the money of retired people. Migrant workers can fill these vacancies. The migration crisis affecting the European Union should not be addressed negatively because refugees and migrant workers are two different forms of migration. Refugees are closely related to the issue of human security, while migrant workers are one of the drivers of economic factors. The strong migration flow of workers from developing countries to the European Union encourages economic turnover and impacts the substitution of reduced income due to an ageing society. This research uses the concepts of Fiscal balance, Ageing Society and Neo-Classical Economic Migration theory to explain the European Union's efforts to maintain its fiscal policy amid the ageing population issue that hits through the migration flow of workers to the European Union. The finding of this paper is that migration and integration policy in the EU contributes to a more positive fiscal balance by applying social security for a migrant in the EU.

## Key Words

Fiscal Balance, Aging Society, EU, Migration

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## 1. Introduction

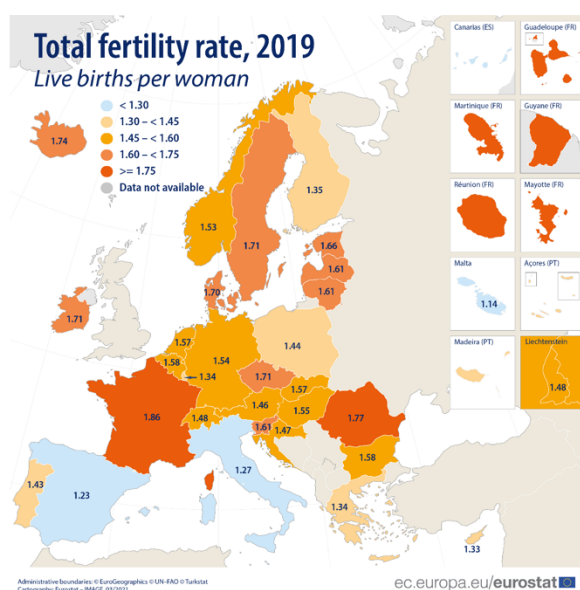
Some developed countries have been facing the problem of an aging society that impacts their fiscal balance. The number of productive societies in their nation decreases yearly, such as the European Union, Japan, South Korea, Australia, et cetera. The government should find a solution to control national household spending money. It is related to the migration issue and the refugee crisis in the European Union during the last nine years.

The picture below shows fertility rate in Europe. The most European country has low fertility rate. The demographic issue has become the biggest challenge for any developed country because it directly impacts fiscal balance. In the next 30 years, official projections show developed countries will have to spend at least an extra nine to sixteen per cent of GDP to meet their old-age benefit promises. The unfunded liabilities for pensions (benefits already earned by today's workers for which nothing has been saved) are already almost \$35 trillion. Add in health care, and the total jumps to at least twice as much. At a minimum, the global aging issue thus represents, to paraphrase, the old quiz show, a \$64 trillion question hanging over the developed

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world's future (Peterson, 1999). Then, the country should pay attention to migration and the labor force in their nation.



**Figure 1.** Fertility Rate in Europe  
Source: Eurostat 2021

Regarding the issue of fiscal policy in the EU, the aging society, and its impact on the migrant industry, the research question of this paper is about “why does fiscal balance has a connection with EU migration flow?”.

## 2. Analytical Framework

For provide robust analysis, this article employs three concepts: fiscal balance, aging society, and new economic labor migration theory. They will be elaborated in the sub-section below.

### 2.1. Fiscal Balance

Fiscal balance is the money a government receives from tax revenue and the proceeds of assets sold minus any government spending. When the balance is negative, the government has a fiscal deficit. When the balance is positive, the government has a fiscal surplus (Eurostat, 2018). Fiscal balance is essential to determine the financial health of the country. In the European Union, the fiscal balance is essential because it correlates with the region's stability. European countries should be aware of this situation because fiscal balance, sometimes called government budget balance, is the difference between a government's revenues (taxes and proceeds from asset sales) and its expenditures. It is often expressed as a Gross Domestic Product (GDP) ratio. Fiscal balance as a percentage of GDP measures a government's ability to meet its financing needs and ensure sound management of public finances (Focus Economic, 2018).

Fiscal policy related to national economic policy. The area of fiscal policy is about tax and government spending. The country usually uses fiscal policy: increase taxes, control spending money, and financial aid. Tax policy will increase national income, but the country should be aware that tax policy will fit public ability. Too high a tax will be responded to by social protest. Control spending money from the government is how a country controls national expenditure to manage a budget. Financial aid when the country applies financial aid from donors to support

the national budget. Aid would be the fastest way to support the national budget, but managing debt should be noted already.

The European Union applied two policies: expansionary policy when the government borrowed money from private to spend money since the amount of money exceeded their budgetary constraints. For example, The US government issues treasury bonds to raise funds. To meet its future obligations as a debtor, the government must eventually increase tax receipts, cut spending, borrow additional funds or print more dollars (Investopedia, 2018). Another policy is the contractionary policy, the opposite of the expansionary policy. This policy is about cutting taxes because the demand for the product and economic stimulation is good, so people spend much more money than they have. For some reason, any country can use both policies depending on the condition of the national economy.

## **2.2. Ageing society**

There is a high number of the senior citizens in countries and a lower number of junior citizens. In the developed countries, it became a risk since it affected society, economy and politics. For these and other reasons, global aging will become the transcendent economic issue of the twenty-first century and the transcendent political issue. It will dominate and intimidate the public-policy agendas of developed nations and compel them to renegotiate their social contracts. It will also alter foreign policy strategies and the geopolitical order (Peterson, 1999). People will live longer, but more will have been unemployed at some point in their working lives and earned low wages, while others will have enjoyed higher, more stable earning paths. According to the report, education, health, employment, and income inequalities accumulate at a young age. On average, across countries, a 25-year-old university-educated man can expect to live nearly eight years longer than his less-educated counterpart; for women, the difference is 4.6 years. People in poor health work less and earn less at all ages. Poor health reduces lifetime earnings by 33% for low-educated men over a career but only 17% for highly-educated men.

The OECD has warned that inequalities in education, health, employment, and income begin to accumulate at a young age. A 25-year-old university-educated man can expect to live nearly eight years longer than his less-educated counterpart; for women, the difference is 4.6 years. People in poor health reduce lifetime earnings by 33% for low-educated men over a career but only 17% for highly educated men. Raising the retirement age increases the disparity in total pensions between low and high earners, but the effect is minor. Reforms to retirement income systems cannot eliminate inequality among the elderly, but they can reduce it. The issue of old-age inequality is even more acute in emerging economies, with Brazil, China, and India facing rapid ageing and broader health inequalities than OECD countries. To address these issues, the OECD recommends that countries adopt a life course approach that focuses on three areas: Prevent inequality from accumulating over time, reduce inequalities as you age, and make working lives more affordable (OECD, 2017).

## **3. Research Method**

This article analyzes with qualitative research method and explanation. Qualitative research is a strategy that usually attaches more importance to statements than numbers in data collection and observation (Bryman, 2014). The main features of qualitative research distinguish it from quantitative research. When quantitative work seeks to make conclusions by examining the frequency of cause and effect linkages, the qualitative analysis uses reasoning similar to puzzle solving. Any information or clues can apply to several things, but the more information available, the fewer possible solutions. Every clue or piece of information is equally essential. In puzzle solving – or qualitative research – each piece of information must match the image offered as a

solution. During this research, the author also experiences actual conditions in the EU regarding the issue of migration. The data was collected from several sources, such as literature reviews and official institution reports.

## **4. Results and Discussions**

### **4.1. Sub-heading of the results and discussions**

Migration is a global phenomenon when people in their home country move to another country temporarily or permanently. There are many reasons people become migrants. It can be an economic, social, or political security reason. The push and pull theory of migration says that there is some push factor that people migrate from their country, such as lack of economic condition, war, and political instability. Moreover, the pull factor makes people interested in their destination country. Some factors can be economic, social, and political. All migrants want to achieve a better life in their destination country.

Migration has an effect not only on migrants but also on the host and home country—besides, migrants also bring about multilevel issues and multi-actors. This article will explain the effects of migration and their relations with fiscal balance.

#### **4.1.1. Migration affected host countries, countries of origin, and migrants**

Migration as a global phenomenon impacts the host country, country of origin, and migrant itself.

- a. Host country: Welcoming migrants to their country will gain a positive image at the international level, besides the host country will gain the support of human resources.
- b. Home country: There is a positive or negative impact on the home country. People who migrate send their money to their homeland, called remittance. On the other side, support country development from outside (diaspora movement). The negative impact, including prisoners running to another country, will bring a negative image to the country. Furthermore, many skilled migrants going outside it will be a brain drain.
- c. For migrants: Every person has a dream: new experience and environment for a better life.

#### **4.1.2. Economic, demographic, social, political, security, et cetera.**

For economic reasons, migration can bring positive economic income through the support of the national economy of the host country. For their country of origin as well, migrants sent remittances to support their national policy. In the social life process, there is an interaction between migrants and natives. Positively, it supports multicultural and tolerance. Nevertheless, on the other side, it will harm the clash of cultures between migrants and natives. For example, in the case of the Roma minority in Visegrad countries, last but not least, migration brings security issues since the wave of refugees to the country has increased significantly. In security perspective, migration becomes a security issue because a few reasons, they are a) Refugee and immigrants are a source of international conflict, b) Refugee and immigrants as a political risk to the host country, c) Migrants perceived as a threat to cultural identity, d) Migrants perceived as a social or economic burden, e) Migrants as risk hostages for sending country. For example, refugee cases in Australia have become a social and economic problem since they cannot make a straightforward adaptation, cause some of the crime, and increase the national budget. In 2017, Australia cancelled 57.000 visas for a migrant who indicated as a sexual criminal. This article views that migration always positively and negatively impacts the host country, country of origin, and migrant itself. It is then depended on how to manage the migration process and assimilation of culture.

#### **4.1.3. Fiscal impact (direct, short-term), impact on the labor market (wages, employment), impact on native workers, on profits of employers, prices of goods and services, et cetera.**

Migrant workers affected the fiscal balance in the country. Since it directly impacts national income, it also has a short-term process because of the brief time of migrants. In the labor market, migrants get paid. Their hard work will pay for their contribution to the nations. Corporation also gets benefit from the migrant. Then, the migrant worker supports the employment needs of the country. However, sometimes, there will be an impact on some natives. The native worker will compete with a migrant in the works area, or they can collaborate. Migrants also will support national income by applying for social security. It will be given an impact on the migrant country.

#### **4.1.4. Do immigrants "pay their way"?**

A migrant can participate in economic activity by becoming a worker in skill sectors, entrepreneurs, innovators, taxpayers, consumers, and investors. Then if they can pay more, "they pay their way" (Gal, 2018). When migrants pay more, they reduce the aging-related fiscal burden in a developed country. It was positive for fiscal balance. Nevertheless, in many cases, public opinion about migrants (from a non-western country) burdens fiscal balance in the demographic country. In the European Union, there was a double quantity of migrants in 2014. The public is not wrong this time since, in a developed country, the migrant cannot quickly adapt, and the country must arrange an extra budget for the asylum seeker. Germany, Austria, Denmark, and Sweden are the country with the highest number of migrants. It's about 59% of the asylum application (Gal, 2018). Those countries faced a dilemma. On one side, the migrant can improve their national income, but another side, challenges to maintaining the number of migrants will not be that easy; nevertheless, how fiscal balance and migration policy are implemented is vital to solving the dilemma.

In developed countries, fiscal policy is also influenced by the number of migrants. OECD became the most receiver country for migrants, especially in European OECD countries. The high number of migrants influences the welfare system because they face challenges addressing aid for migrants or giving them opportunities for national economic support. Gal (2018) said that the refugee crisis in the European Union since 2011 can have a positive fiscal balance impact on the receiver country in the EU because they can pay for their way. This also can support the needs of the labor market. The aging society problem impacts a developed country's low national income. As we know, from 2011-2016 European Union faced a refugee crisis after the Arab Spring 2010—the high number of refugees in the EU impacted on EU's country's Fiscal Policy.

European Policy controls fiscal balance by subsidize the pension budget from the employment tax. Then, the number of pensions and young employment should be balanced. The problem goes to maintaining the number of young and old workers. However, the aging society problem supposed that the number of young people is less than that of older people. Then, it will impact of country's migration Policy as well. EU needs to accept many migrants to the EU to balance fiscal.

The fiscal consequences for developed country influenced by the number of labor market. Migration policy has an impact on its economic and political consequences. For political consequences, the country is aware of the number of people who enter their country. Then, for economic consequences, the high number of migrants can potentially solve the labor market issues.

We noted that there are different rules for migrants for EU citizenship and outside EU citizenship. For EU citizenship, free movement around the country should be easy. Many of them are well-educated because the EU has a similar standard of education. People's free movement

for EU citizenship has little impact on OECD fiscal balance. Almost many of them are categorized as developed and highly developed countries. Their movement for work also implies for EU budget. It is different with a migrant from outside EU country. Some come to the EU for any reason, such as to study, work, make family connections, or be refugees. They are part of a less developed country and want to achieve better welfare in the host country. They are working in a developed country and increasing households for the nations.

The high number of old-aged not only happened in the EU. In Japan, people push many skilled labor migrants and open any opportunities for the migrant to their home country. Besides, they set a policy about supporting Japanese people in marriage. Japan is concerned about this issue because it has affected its fiscal balance. In this regard, in 2050, the number of old-aged ration in Japan will be the highest, at almost 80%. It is followed by Italy, Spain, Poland, and Germany at almost 60%. Exciting data have shown that in Poland, the number will be increased by 200%. So, we can analyze that Poland, Spain, and Italy will be the top country that depends on the old-aged ration in 2050.

#### **4.2. Neoclassical Economic and Migration**

Labor markets are one of the mechanisms that influence international migration. That means other markets have a minor role. Thus, the government can regulate migration through labor market policies. Based on the Neoclassical Economic Migration concept, there are a few reasons why migration workers come to other countries. It is connected with wage levels, capital-rich and capital-poor countries, and also migrants expected earnings.

The macro level of neoclassical economics sees migration as the result of geographical differences between labor demand and supply. The differences in wage levels between countries and labor markets influence international migration. Based on the macro level of neoclassical economics, migrant workers move from capital-poor/labor force-rich countries to capital-rich/labor force-poor countries. This concept also says that high-skilled workers move from capital-rich to capital-poor countries to get higher returns on their skills. Besides, the micro level of neoclassical economics suggests that international migration is caused by differences in wage levels, employment rates, and the migrants' expected wages in the destination country. So, the micro-level analyzed the migrants' estimate of the benefits and costs when they move (Olligschlaeger, 1986). To sum up, migration decisions are taken by individuals influenced by differences in the labor market and wage levels, unemployment rates, employment rates, and economic conditions in the destination country.

#### **4.3. Migrant Worker in European Union**

There were 169 million international migrant workers in 2019, constituting 4.9% of the global labor force in the destination countries (International Labour Migration, 2021). One of the keys that motivate migrants to cross national borders is to work, whether driven by economic aspects, seeking employment, et cetera. The other impact of political and economic, environmental crises, shifting demographics with ageing populations in some parts of the world contribute to rising labor migration (Global Migration Group, 2017).

In 2020, Europe had nearly 87 million international migrants living there, containing over 40 million non-European migrants. International migration may be used to solve specific labor market shortages in destination countries. European Union is one of the destinations for migrant workers. It is because most European Union countries face an ageing society and need many workers to solve their labor market problems. Another reason why migrants come to the EU is that they see European Union as a developed region, good economy, and many employment opportunities.

Germany remained a top destination for migrants. There are a few reasons why people come to Germany. Even though many people seek asylum, Germany shows that the government still remembers the issue of skilled migrant workers. Germany needs a lot of high-skilled migrant workers to fill in the gaps in Germany's labor market caused by the country's average age being much higher and a considerable number of people retiring due to the aging society in Germany. In the German Labor Market, migrants have an essential role. Migrants play an increasingly important role in shortage professions. Between 2013 and 2020, the number of employees without German citizenship in Germany increased by 75% to more than four million (Bathke, 2021). Half of them work in occupations that require two-to-three-year vocational training. Some areas in Germany are mainly dependent on foreign workers. For example, in Baden-Wuerttemberg, almost 35 per cent of migrants working for professional drivers, and 60 per cent of all people who work in the meat processing sector in a Lower Saxony are migrants.

Based on Gallup data from interviews approaching 587.000 people aged over 15 in 156 countries between 2013 and 2016 to come up with these figures (Edmond, 2017).

**Top 10 countries migrants want to move to**  
Based on the opinions of those looking to move, 2013-2016

WORLD ECONOMIC FORUM  
— QUANTIFIED BY  
ANNUAL SURVEY OF  
THE STATES OF THE WORLD

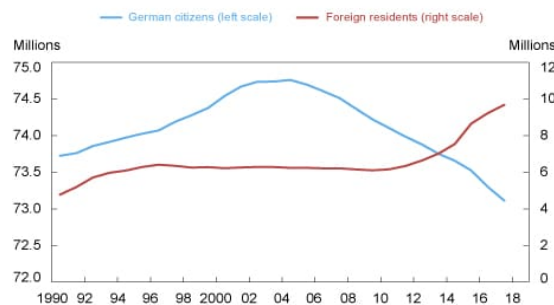
Country	% of potential migrants naming this country	Estimated number of adults (in millions)
United States	21	147
Germany	6	39*
Canada	5	36
United Kingdom	5	35*
France	5	32
Australia	4	30
Saudi Arabia	3	25*
Spain	3	20
Italy	2	15
Switzerland	2	13

Source: Gallup

**Figure 2.** Top 10 Countries migrants want to move to (Based on the opinions of those looking to move, 2013-2016)

Source: World Economic Forum, 2017

In the third quarter of 2019, the Institute for Employment Research found 1.36 million unfilled positions in Germany. In the same year, Germany passed an immigration law to help jobseekers from outside the EU find work there.



**Figure 3.** Germany's Immigration Surge (Net immigration has accelerated in the past decade)

Source: German Federal Statistical Office, Bevölkerungsforschung 2011, authors' estimates.

Note: The Bevölkerungsforschung is used to adjust figures prior to 2011 for consistency with 2011 census.



A wave of net immigration took hold, and the number of foreigners residing in Germany rose by 1.4 million from 2011 to 2014. In 2015, The second wave of immigration started. Germany had 2.1 million during the 2015-2017 migration population. The macro data imply that the economy has absorbed many new migrants into the workforce (Klitgaard, 2019). The unfilled labor market in Germany has benefited from the migrants. Germany did a survey to require high-skilled migrant workers to fill the shortage of workforce caused by the ageing population. The fertility rate in Germany is low. Based on data released by Eurostat, in 2060, Germany's population will decrease by 14%. At the same time, the median age is increasing every year. With the ageing and shrinking population simultaneously, Germany needs to accept more migrant workers year after year. Western Europe is a popular destination for migrants, especially from developing countries. People come to Germany for a better life, job, et cetera. Good jobs and salaries, a clean environment, et cetera make Germany attractive for migrants. People migrate to Germany for many reasons, but the most important is a solid economic and welfare system.

#### **4.4. Most important factors for the fiscal balance of migration in European Countries**

According to the issue of migration and aging society in European Countries, fiscal policy pays concern from the EU government, especially from those EU countries with a high aging ratio and with a high number of asylum seeker.

Several factors influence fiscal balance in the host country:

a. Employment and income level of migrants

Migrants positively influenced fiscal balance when they worked at a professional level. The employment level of migrants will determine their tax and contribution to the country. The highest level of their work will be the highest money they earn. It will be significant with the money they spend in the host country. Taxes contributions will be paid to welfare consumption in the host country. For example, they paid for health security. Usually, the country has its regulation for health security tax for foreigners. If migrants work on low-skilled labour, their contribution will decrease. Because low-skilled labour is not included in the national tax, some cases showed that low-skill labour is illegal. According to illegal or not migrants, the country (host or home country) needs to address this administrative regulation to push migrants into the legal regulation. It will be different when we compare it with a refugee who asks the asylum seeker for a migrant.

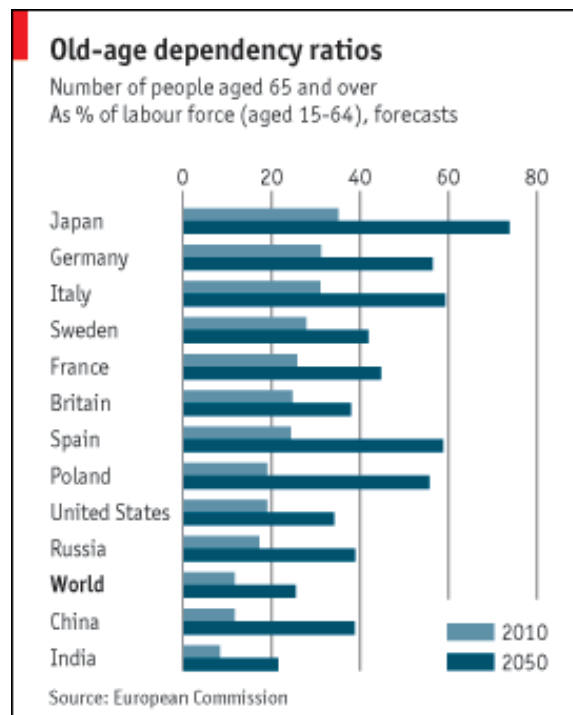
b. Employment rates by citizenship or country of birth in selected developed countries

In selected developed countries, the employment rate is about 15-64 years old. The number of the aged old group is higher than the younger. Some countries apply cross-subsidies from young workers to the pensions budget. It is vital to make a balanced number of migrants and many pension natives. This number should be balanced. The challenge then is how to maintain if the migrant becomes older also. The country should invite another migrant worker to fill the labour market.

c. Composition of the immigrant population

The composition of the migrant population is essential to show their contribution to the nation. OECD has a clear definition of migrant and labour force. The migrant labour force is those who work in the host country. So, their contribution will be directly affected. It will be different from a refugee who asks asylum seekers. Refugees can be migrants if they can get a job. Then, the composition of migrants will affect the influence of migrants on the host country or not. Migrant education, skills, and family sizes also determine how much migrants influence the host country. High-skill and well-educated

migrants will quickly be adapted. Many families also determine their household spending to the nations.



**Figure 4.** Old-Age Dependency Ratios  
Source: The Economist, 2009.

d. The general economic situation of the host country

The unemployment rate in the host country can be a problem for migrants since there will be competition between natives and migrants. EU statistic has shown data on unemployment in the EU downwards but averages 9-11 % of the labour force. More than 20,5 million people were unemployed in EU-28 in 2000. That number dropped to 8.7% in 2001. In December 2004, job seekers available for work reached 21.2 million, while the unemployment rate was 9.2%. At the beginning of 2005, a steadily declining unemployment started, lasting until the first quarter of 2008. At that time, EU-28 unemployment hit a low of 16.2 million persons (equivalent to a rate of 6.8 %) before rising sharply after the economic crisis. Between the second quarter of 2008 and mid-2010, the unemployment level went up by more than 6.7 million, taking the rate up to 9.7 %, at that time the highest value recorded since the start of the series in 2000. The decline in unemployment in the next three quarters was a deceptive sign of an end of the crisis and a stable improvement in labour market conditions in the EU-28. In fact, since the second quarter of 2011 and until the second quarter of 2013, unemployment steadily and markedly increased, taking it to the record level of 26.5 million, corresponding to a record rate of 11 %. Since then, the rate has decreased, reaching a record low of 6.6 % at the end of 2018 (EUSTAT, 2019). The unemployment rate in the host country, which less than the country of origin, is the pull factor for people to migrate. Then, this condition will affect migrant contribution to the host country.

#### **4.5. Migration and economic approach for positive fiscal balance**

Globalization has changed the way many people see the world. People have become more aware of living standards and lifestyles in other parts of the world. The connection between people made the higher standard of living perspectives. This motivates people to migrate to secure higher incomes. There is also evidence that young people, in particular, consider migration because they want to escape the drudgery of subsistence living and see "the bright lights of the big city". After the end of the Second World War, the number of earth's inhabitants dramatically increased. In 1945, it was 2 billion people. Today, it is 7 billion. Most countries with the biggest increase in their population today are where trafficking in human beings has founded its "home". In the push-pull theory of migration, the economic aspect is the main reason for the migrant move from home to the host country. EU enlargement and its stability of economic development, democracy, and many employment opportunities push migrants from developing countries to come to the EU—potential reasons for earning money and unemployment pertinent to economic growth. As neoliberal thought, the free market builds opportunity for everyone and increases competition (Stanojoska & Petrevski, 2015).

#### **4.6. How migration and integration policy can support positive fiscal balance in to host country?**

Migration and integration policies can increase the contribution of a migrant to the host country. OECD finding in 2018 about migrant contribution to the host country that immigrants perform relatively better than native-born workers on the labor market, but their working conditions are often poorer. Immigrants' labor market outcomes show how well immigrants are integrated into the host country's labor market and, in turn, how they affect the entire labor market, in particular the outcomes of native-born workers. Foreign-born workers in most partner countries do not significantly influence the labor market in terms of their size compared to other groups in the labor market. Native-born workers, especially new young entrants, drive most changes in the composition of the labor force. However, in many partner countries, the immigrant labor force grows faster than the native-born.

Fiscal balance is better in countries where immigrants' access to labor is open. Still, welfare is limited (at least partially and transitionally), and welfare states are less extensive. The skills and education of immigrants are better or similar to the majority. Traditions and culture do not contain economic activity.

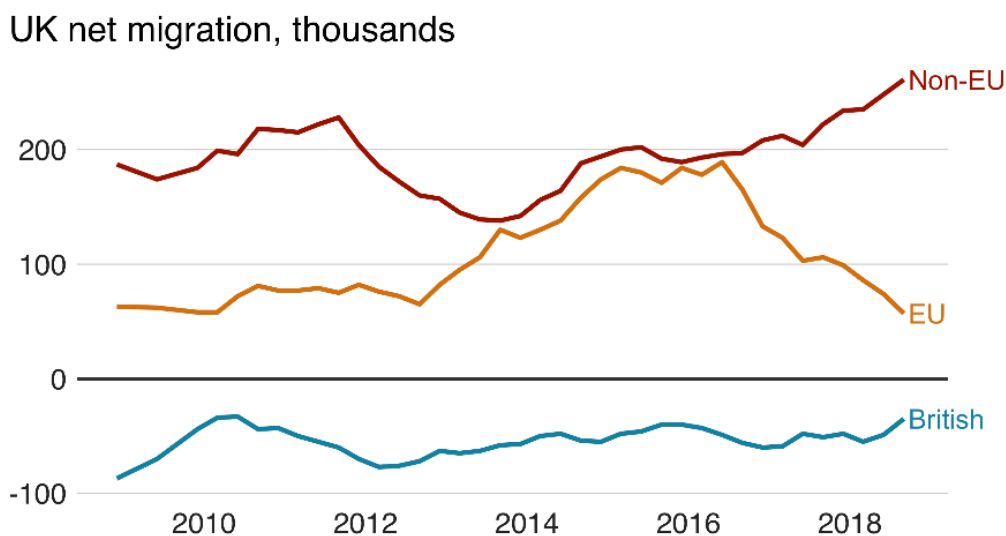
The host country also needs migrants. A slowdown in economic growth is also reflected in employment and household incomes. Employment increased by 0.2% in the EU and the Euro area in the third quarter of 2018, thus marking a slowdown in the expansion registered since early 2016. In the third quarter of 2018, employment recorded a year-to-year increase of 1.2 % in the EU and 1.3 % in the Euro area. Accompanying the economic and labor market recovery, gross disposable household income (GDHI) in the EU5 registered a 1.9 % year-on-year increase in real terms in the second quarter of 2018, the latest period for which that indicator is available (European Commission, 2019).

#### **4.7. United Kingdom Case Study**

The United Kingdom is one of the most dreamed countries for a migrant from Africa, Asia, and even European citizens. According to the influence of migrant on the EU fiscal balance, research from the University of College London found that migrant has a positive impact on the fiscal balance in the EU. Data from 2000-2011, migrants from the developing country have contributed consistently positive fiscal more than 12% or about £5 billion. Then migrants from the EU contribute about £15 billion, with fiscal payments about 64% higher than transfers received. In

contrast, over the same period, natives made an overall negative fiscal contribution of £616.5 billion. The net fiscal balance of overall immigration to the UK between 2001 and 2011 amounts to a positive net contribution of about £25 billion over a period over which the UK has run an overall budget deficit. Migrants in the UK received tax credits and benefited with native 43%. It is more favorable age-gender consumption compared with the recent native migrant contribution of 39% (Dustman, 2014).

Below is the data of migrants to the EU from the rest of EU countries and non-EU citizens. Since 2010, the number of migrants from the EU or non-EU country increases significantly. The data in 2010 is interesting. After the Brexit referendum, the number of migrants from the rest of the EU decreased, but migrants from non-EU countries increased.



**Figure 5.** Migration from EU and non-EU Before and After the Brexit Referendum

Source: BBC, 2019.

In the United Kingdom, we can imply that migrants gave a positive fiscal balance on UK economic stability. Like most multicultural (many migrants from around the world in the UK) countries, the UK has shown that integration policy and good maintenance for migrants to their home country positively impact the national economy.

#### 4.8. Migration in Poland

Poland is one of the areas of immigration and emigrated countries—Polish has had a massive migration wave since 19 century to intern Europe or outside Europe. Interesting case, people migrate to Poland mostly from post-Soviet space, mainly Ukraine, Vietnam, Chinese, Nepal and Mongolia.

According to that issue, can a migrant burden positively impact the fiscal balance in Poland? A significant number of a migrant in Poland is Ukrainian, referring to labor market status and indicators of the fiscal position of Ukrainian immigrants. The large majority of both males and females were working in the 12 months preceding the survey; around 90 per cent of them (in both cases) were working in the last week. The share of unemployed was low and accounted for 8 per cent in the case of men and only four per cent in the case of women (Kaczmarcz, 2015).

Besides Ukrainian, Vietnamese in Poland also support fiscal net. Vietnamese established many investments in Poland, counter Asian markets, restaurants, became students, et cetera. Both of those migrants have their way of supporting the fiscal net in Poland.

## 5. Conclusion

Fiscal balance and the Refugee crisis have had many impacts on the European Union as the most developed region in the world. The high number of a migrant coming to the EU impact the EU's social, political and economic. This article stressed the economic aspect of migrants' influence on the EU country.

In some perspectives, migrants can burden the fiscal condition of the EU. In another aspect, their different culture will be a social problem in the EU. However, simultaneously, the EU faces an aging problem that a labour force increase should resolve. In regards of the increasing migration and the European Union's position as a migration destination area, so one way that can be done to increase the labor force caused by an aging society is involving the migrant workers in the economic sector.

In a few countries worldwide, migration and aging society became the new challenge for developed countries, such as Japan, Korea, Australia, and the EU. Then, the migrant can be the part of economic power to host country if they can contribute to a positive fiscal balance. The most critical factor that migrants can positively impact is high-skill-level workplace involvement. They pay taxes, consumption, or become an investor. The host country policy should support this phenomenon of migrants being involved in the national workplace. Even in some cases, maybe there will be a conflict between natives and migrants, but it can be arranged by national policy, such as determining more tax for a migrant. Integration policy in the EU regional area also supports fiscal balance in the country in consumption.

To sum up, migrants can positively affect the host country as long as they can be hired to support the labor force. It also has a positive impact on migrant life that is getting better in the host country and has a positive impact on host and home country relations or diplomatic connections.

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