

## LABOUR MARKET DYNAMICS – YOUTH MIGRATION FROM SERBIA

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### Abstract

*Human capital is the ultimate resource of the twenty-first century. The new generations of labour force often possess competences highly valued at the labour market (IT skills, flexibility, innovation, risk taking, etc). Developed countries generally have a compelling demand for skilled labour due to shortages on their labour markets. Therefore, the movement of skilled workers outlines one of the most outstanding features of current patterns of international migration. From the second half of 20<sup>th</sup> century Serbia is well known for labour migration processes. Nowadays the phenomenon of brain drain is widespread, as significant number of highly educated, competent and innovative young people leave Serbia. Among the Serbian juvenility there is a strong desire to emigrate. The main factors influencing the decision about leaving the home country are economic factors and the quality of life. Factors which effect the decision to stay are social-emotional factors, solved housing, patriotism and sense of belonging. Youth migration have serious negative effects on the home country – it means a financial loss due to the investment in education, deficit of skilled labour force, depopulation etc. The aim of this paper is to give a literature review on the youth migration and to analyse the attitudes of young people about moving and working abroad based on field studies realized in Serbia in 2018 and 2023.*

**Key words:** labour market, migration, brain drain, Serbia.

### 1. Introduction

Migration has played a crucial role throughout history in shaping the world as we know it today. In the current era of globalization, an increase in international migration has been evident. Mobility is more pronounced among youth than among the overall population.

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Nowadays there is a strong migration pressure from Middle East on European countries. Although it is very difficult to predict all consequences of this phenomena, migration represents one of the solutions for population decline in Danube region. On the other hand, it raises many political, social and economic questions. Highly qualified labour force from the East is looking for job opportunities in the West, starting mostly during their education and studies (Savić, 2022).

The Republic of Serbia is traditionally a country of emigration and youth mobility, usually driven by economic and political factors. Emigration is recognized as an opportunity to provide a better life for themselves and their families, seek better job opportunities and find their place in society (Šantić, 2020).

Author Icoski (2022) stresses that the repercussions of youth brain drain are major. From an economic perspective, higher-quality human capital leads to a higher level of GDP and economic health, and vice versa. The massive outflow of people in certain professions worsens the problems related to the availability and accessibility of basic services. The most critical sector is public healthcare with a huge portion of young doctors and nurses leaving the region of West Balkan. Lack of services is also evident in lower-skilled professions such as repair, maintenance, and construction, leading to higher service costs and lower quality.

The Eurostat 2019 data show that some 4000 people leave Serbia every month; most of them young people under 30, who most often cite economic reasons for leaving the country. Serbia is on the list of 50 countries with the highest migration rate, at 31st place (Ceha, 2021). At the same time in 2021, Serbia was ranked 58 out of 134 countries, according to the Global Talent Competitiveness Index. It also shows the poor capacity of Serbia to manage its talents, or to enable, grow, attract and retain them (Arandarenko, 2021).

The aim of this paper is to give a literature review on the youth migration and to analyse the attitudes of young people about moving and working abroad based on field studies realized in Serbia in 2018 and 2023.

## **2. The characteristics of the youth migration in Serbia**

It is important to be aware of pull and push factors influencing the brain drain processes. Natarer & Lavrić (2022) emphasize that many contemporary studies show youth migration to be a complex set of socio-cultural (macro), familial (meso) and individual (micro) factors mutually interconnected and expressed as a motive to migrate. For example, researchers from Romania have found that although economic and cultural factors play an important role, specific family situations and prolonged transition to adulthood, together with self-perception as “would-be migrants,” appear as crucial motivations for migration.

In case of Serbia the main factors influencing the decision about leaving the home country are economic factors and the quality of life. Factors which effect the decision to stay are social-emotional factors, solved housing, patriotism and sense of belonging. The pull factors that attract the Serbian population to other countries are the possibility of better incomes and bigger job opportunities, a regulated

economic system, social security, lower living costs, and good pensions at the end of working life (Krasulja, Blagojević & Radojević, 2016).

The push factors for youth brain drain in the West Balkan 6 (WB6) countries are quite diverse. The question of moving abroad is highly individual, depending on personal and societal characteristics such as education level, geographical area of origin, or employment and financial status. It is important to emphasize that if historically youth predominantly left the region for bigger salaries and better jobs, nowadays they are increasingly leaving for a higher quality of public services, education, healthcare, good governance, or environment. At the same time, financial motives remain crucial with one-third of youth wanting to leave for purely economic reasons, while 10 percent want to emigrate to pursue a better education. The EU is the most desirable destination for WB6 citizens due to geographical proximity and ongoing membership accession processes. The most important pull factor is liberal EU migration policies. (Icoski, 2022).

As medical professionals are one of the most affected by brain drain, it is interesting to analyse their motives to emigrate. Research from 2015 showed that the main pull-factors include: stable social and political environment; professional working environment favourable for training and skill-enhancement; existence of adequate medical technology for contemporary procedure; attractive wages, social and other benefits; existence of employment policies which recognize good performance. On the contrary the most important push-factors are the following: low wages; impossibility of employment; discontent with jobs; non-existence of future prospect (training and carrier development); bad working conditions (Institute of Public Health, 2015).

The research conducted in 2019 in four municipalities of Serbia analysed the intention to emigrate, an indicator of migrants' potential preferences, or more precisely, of the extent to which respondents will realize their aspirations to leave the place of permanent residence. The data showed that 42.3 percent of respondents stated that they often or very often considered leaving. The share of such responses was higher among respondents in urban areas. Being young, female, highly educated, unemployed and with migration history, they are more likely to prepare for an internal journey, but more often for an international journey. The plans and preparation for emigration in the next year were certain among 26.3 percent of the total population. However, this share was almost two times higher among young respondents: 50.4 percent in the age cohort 20-24 and 44.7 percent in the age cohort 25-29. As expected, young, predominantly male respondents, who were more educated, in the optimal fertile and working age, were the most mobile in the total population, and these categories were more likely to emigrate in the next year (Šantić, 2020).

According to the Survey of the youth population conducted by The Youth National Council in 2021, only about 11% of youth responded that they would not leave the country, while the 50% of the respondents said that they would leave although half of them were not in the planning process yet; 39% of respondents currently were not planning to leave but did not write off that possibility. The reasons to emigrate were more honourable life and better living standard and better

employment possibilities abroad. The most important reason to stay were family reasons, unwillingness to live abroad and the perception that it is good to live in Serbia. The most popular destinations are traditionally related to the Western Europe countries (63%), followed by the USA (12%) and the countries from the region – 8% (Krovna organizacija mladih Srbije, 2021).

As the brain drain is mainly connected to highly educated young people it is important to analyse the students' intention to emigrate. The *Student Migration Survey* (2018), which involved a total of 11,013 students from public and private colleges and universities, showed that a third of the respondents plan to go abroad after graduation, and as the main cause for leaving the country as many as 94.3% respondents state the reason of economic nature (impossibility of finding a job in their profession, impossibility of finding any job, poorly paid job in their profession, impossibility of professional advancement, low standard of living, poor economic situation), while the remaining 5.7% state non-economic reasons (corruption, obeying the law, etc.). According to the share of students who plan to look for better living and working conditions in other countries, the students of information and communication technologies account for the biggest segment (36.5%), followed by the students in the field of medical sciences (36.2%).

The research conducted by Cvetanović in 2022 among university students and young graduates between the age of 18 and 35 showed that largest number of respondents (29.2%) would probably leave, while 25.2% of them definitely decided to take that step. Among the respondents who planned to leave, 21% would leave the country only temporarily, and 21.3% considered that their departure would be permanent. However, the largest number (57.7%) of respondents stated that the length of the stay abroad depends on various factors, among them adaptation and professional success in another country. When it comes to the reasons for leaving, the respondents were able to offer several answers. Most often, they chose a better standard of living and then a bigger chance of finding a job in their profession, as well as studying abroad and professional training (Cvetanović, 2023).

The return of young, highly educated persons to Serbia was researched in several qualitative case studies. It was shown that such returns are complex processes, often triggering subsequent emigration due to misplaced expectations, disappointments, problems with pursuing entrepreneurial, research, scientific ideas, diploma recognition issues, unacceptance by wider social and professional communities, etc. In many cases, returns are not driven by economic reasons or political expediency, but instead by needs of belonging, memories, imagined home communities, etc. (Radonjić & Bobić, 2020).

Other than educated people, ethnic minorities are also over-represented in the migration processes (Radonjić & Bobić, 2020). An example of this is Hungary, which in 2002 became the major destination for emigrants from four municipalities from Serbia with the high share of members of the Hungarian ethnic community, directly bordering Hungary, or in its vicinity (Arandarenko, 2021). The continuous brain drain of ethnic minority students inevitably leads to the weakening and disappearance of the above-mentioned ethnic minority communities (Filipović et al., 2007).

### 3. The attitude of youth about migrations from Serbia

The last part of our paper presents the main results of a field study realized in 2018 in Kanjiža, a municipality in the north part of Vojvodina about the attitudes of young about leaving Serbia based on YOUMIG project. In the cooperation project 'YOUMIG,' funded by the INTERREG Danube transnational program, challenges of youth migration were discussed in a transnational consortium consisting of project partners from different countries from Central and Eastern Europe experiencing difficulties such as a declining population and outmigration, as well as immigration of young people, which necessitated the provision of an integration infrastructure. Project outcomes included strategies as well as pilot activities performed by local-level authorities (Gruber, 2021).

The research sample was made of young inhabitants of municipality Kanjiža between age 18 and 34. The number of interviewees was 615. The majority (341) were female, while there were 272 male interviewees, too. The great part of the sample (57%) had secondary level education, 28% owned tertiary education diploma, while 5% had only elementary education. The others were still in the process of education. As regarding the employment status of the interviewees, 51% were employed, 15% were unemployed, 9 % self-employed, 21% were still in the process of education and about 4% had other employment status.

The research result showed that about 62% of respondents did not want to leave its birthplace, but about 1/3 would like to move to a foreign country and about 5% to another municipality in Serbia. The obtained data on staying in the birthplace pointed out emotional motives. The most important factors were that there lived their family, relatives and friends, as well as they felt happy here and that they were emotionally connected to their homeland. On the other hand, 18% of respondents planned to move to a foreign country in a year. Among them 82% had realized some concrete actions towards immigration (seeking for adequate information, job search, finding housing, etc.). Among those who planned to immigrate about 55% would go alone, while about 45% with family. Only about 35% of those planning to immigrate were thinking about coming home to Serbia once. The main motives of youth immigration from the municipality of Kanjiža were economic reasons. The respondents considered that the wages in Serbia are low, the economic and political situation unstable, they could not see their future in this country and were not satisfied with the domestic standard of living and possibilities of finding an adequate workplace (Slavić, 2019).

The other field research conducted by the authors had the aim to analyse the students' current perception on their soft skills and intention to emigrate. The participants were students of Faculty of Economics in Subotica, University of Novi Sad. The on-line anonymous questionnaire was filled out by university students of all levels (bachelor, master and PhD students) from October 2022 till March 2023. The number of respondents from Serbia it was 245.

Concerning the sample overview, we have to highlight that the great majority of represents (80%) were female. The respondents' age distribution showed that the great majority (96%) of respondents was between 21 and 29 years. The two

thirds (66%) of the interviewees were master students, with college or university education, while one thirds of respondents were undergraduate students.

According to the obtained data students consider that employers expect from university graduates the following skills: communication skills, language skills, teamwork, planning and problem solving, flexibility and creativity. Students consider that for employability soft skills are very important – equally or more than hard skills – but do not think that soft skills can be learned at school and education fully prepares them for work. The data show that students think that they can mainly develop their soft skills at work or abroad (Slavić et al., 2024).

## 4. Conclusion

Youth unemployment in Serbia had been considered an important economic and social issue in recent decades. Migratory movements from Serbia are caused by various historical, social, political, eco-nomic, and demographic factors. Brain drain is still an important phenomenon leading to emigration of highly educated young people from Serbia to more developed countries. The results of various research on the position and needs of young people show that their attitudes about their future in Serbia are very negative. The emigrants are young, highly educated and skilled. This affects Serbia's labor market and overall development, as the country is losing its young and most talented professionals.

The field research realized in 2018 in Kanjiža, in one of the northernmost municipalities of Serbia, show that the majority of young people do not want to leave their birthplace, they are emotionally connected to it. But in case of economic and social circumstances they were ready to migrate and then the majority would choose to move abroad. It is important to emphasize that almost 20% of respondents planned to leave Serba in a year and they had adequately prepared that.

The results of the research on the students' perception of the importance and development of soft skills in Serbia conducted at Faculty of Economics Subotica – University of Novi Sad showed that students consider that soft skills may be only partially learned at universitiesand that they can develop their soft skills at work or abroad, so they are planning to emigrate, too.

Among young people of Serbia there is a high intention to emigrate and brain drain is significant, too. The main driver of emigration is dissatisfaction with local and country related circumstances, especially in the sphere of economic development. These facts call not only for education system reforms but also for improvements in both work legislation and the management of talented individuals which are the strategic resource for economic development.



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