

Migration and Recession: Polish Migrants in Post-Celtic Tiger Ireland

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Sociological Research Online, Volume 14, Issue 2,
< <http://www.socresonline.org.uk/14/2/9.html> >
doi:10.5153/sro.1927

Received: 11 May 2009 Accepted: 26 May 2009 Published: 30 May 2009

Abstract

In this paper we explore the impact of the current economic downturn on Polish migrants in the Irish labour market. Ireland appears to be well suited to study the impact of the recession on intra-European migration. The country has not only experienced large-scale inward migration from the new EU Member states (NMS) in recent years, but has also been severely hit by a recession. At times of an economic crisis, questions have begun to be asked about the future intentions of migrants. By drawing on an ongoing Qualitative Panel Study on the experience of Polish migrants in the Irish labour market, we argue that simplistic assumptions about migrants leaving the country 'when times are getting tough' are misplaced. No doubt some NMS migrants will leave because of the worsening economic situation and new opportunities elsewhere. As East-West migration has adopted a more temporary and circular character facilitated by a free movement regime, NMS migrants have the opportunity to move on elsewhere at times of a downturn. At the same time, many Polish migrants are 'here to stay', for the moment at least. This is for at least three reasons. A clear majority of NMS migrants remains in employment, in spite of the downturn. Furthermore, even if migrants should lose their jobs, welfare state arrangements in the host country offer some protection against destitution. Moreover, the decision to migrate, and consequently to stay or move on, is not just reached on the basis of economic considerations alone. Particularly social networks are of importance in sustaining the migration process relatively independent from short-term economic change, including an economic downturn.

Keywords: *Recession, East-West Migration, Free Movement, Ireland, Poland*

Introduction

1.1 The world economy has been hit by a global recession, the first of its kind since the 1970s and possibly the worst since the late 1920s. Not only has the international trade of capital, goods and services slowed down, but also the international movement of people. In countries such as the UK and Ireland, the most important form of labour migration in recent years has been East-West migration, particularly since EU enlargement in 2004. How has this intra-European mobility been affected by the current economic downturn? To explore this, we will focus on Ireland's recent migration experience. Ireland appears to be well suited to study the impact of the recession on intra-European migration. The country has not only experienced large-scale inward migration from the new EU Member States (NMS) in recent years, but has also been severely hit by a recession. At this time of an economic crisis, questions have begun to be asked about the future intentions of migrants. Some media outlets increasingly promote the view that NMS migrants are on their way out, fostered by headlines such as 'Up to 1,300 Poles leaving Ireland every week' (Irish Independent 8 December 2008) and '3,000 Poles leave Ireland every month' (Sunday Tribune 18 January 2009).

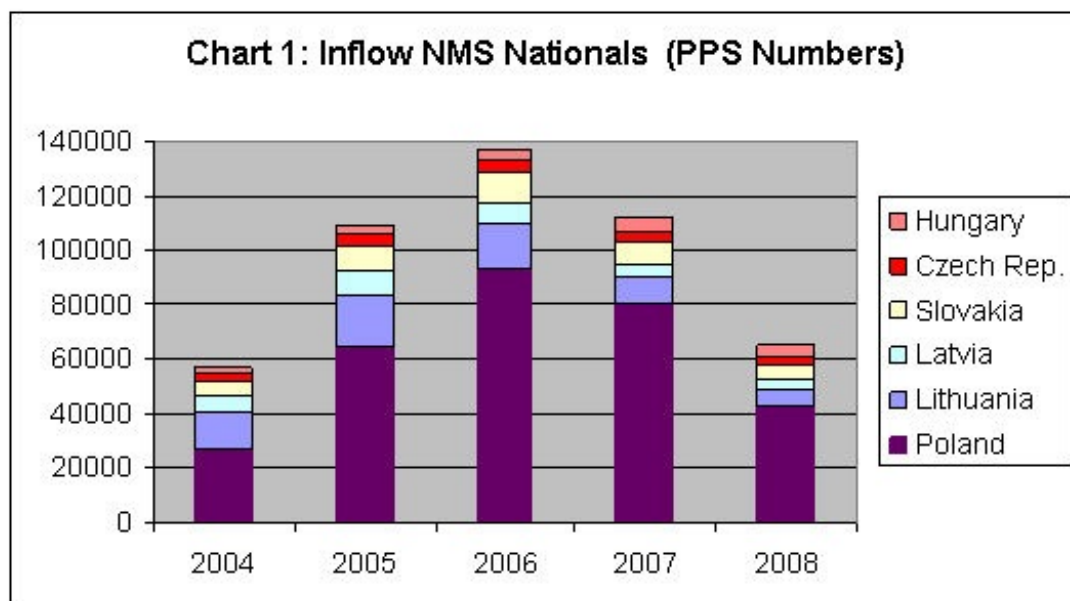
1.2 In this paper we take a different view. By drawing on an ongoing Qualitative Panel Study on the experience of Polish migrants in the Irish labour market, we argue that the decision to 'stay or go' is more complex than any simplistic assumptions about 'Poles going home' allow for. It is entirely possible that some NMS migrants will leave the country because of the worsening economic situation. As 'free movers' (Favell 2008), Polish and other NMS migrants have the opportunity to move on elsewhere at times of a downturn. At the same time, however, there is only limited evidence to suggest that the current downturn will trigger large-scale outward migration from Ireland. This is for at least three reasons. A clear majority of NMS migrants remain in employment, in spite of the downturn. Furthermore, even if migrants should lose their jobs, welfare state arrangements in Ireland offer some protection against destitution. Moreover, the decision to migrate is not just reached on the basis of economic considerations alone. Social networks are

particularly important in sustaining the migration process relatively independent from short-term economic change, including an economic downturn.

Post-Celtic Tiger Ireland and immigration

2.1 After almost two decades of unprecedented growth during the Celtic Tiger years, Ireland has been severely hit by a recession. A dramatic decline in the housing market in conjunction with the global financial crisis dramatically altered the economic fortunes of the country. The Irish economy is expected to shrink by 14 per cent in the period from 2008-2010, the sharpest fall in economic growth of any industrialised country since the Great Depression of the 1930s. The unemployment rate, once among the lowest in the EU, is likely to rise to over 15 per cent by 2010 (Barrett et al., 2009). What are the implications of the economic downturn for Ireland's increasingly diverse workforce?

2.2 As in other countries, immigration into Ireland has noticeably slowed down in recent months. This particularly applies to migration flows from the NMS. Whereas for instance in 2006 almost 94,000 Personal Public Service (PPS) numbers were issued to Polish nationals who make up the largest migrant group in the Irish workforce, this has declined to just over 42,000 in 2008 (Chart 1). This appears to be linked to the fact that many young Poles, who are the most mobile section of society, have already left Poland. However, it is also likely to reflect declining economic opportunities in Ireland. At the same time there is only limited evidence to suggest that those migrants who already are in the country leave in greater numbers because of the recession. Whereas 203,000 NMS migrants over the age of 15 were living in Ireland at the end of 2007, this number was only marginally lower with 199,000 at the end of 2008, in spite of the quite dramatic reversal of the economic fortunes of the country in the second half of that year (QNHS, 2009). It therefore appears as if migration inflows are more sensitive to an economic downturn than migration outflows. In other words, whereas fewer migrants arrive at times of a crisis, those already in the country do not necessarily leave in greater numbers.

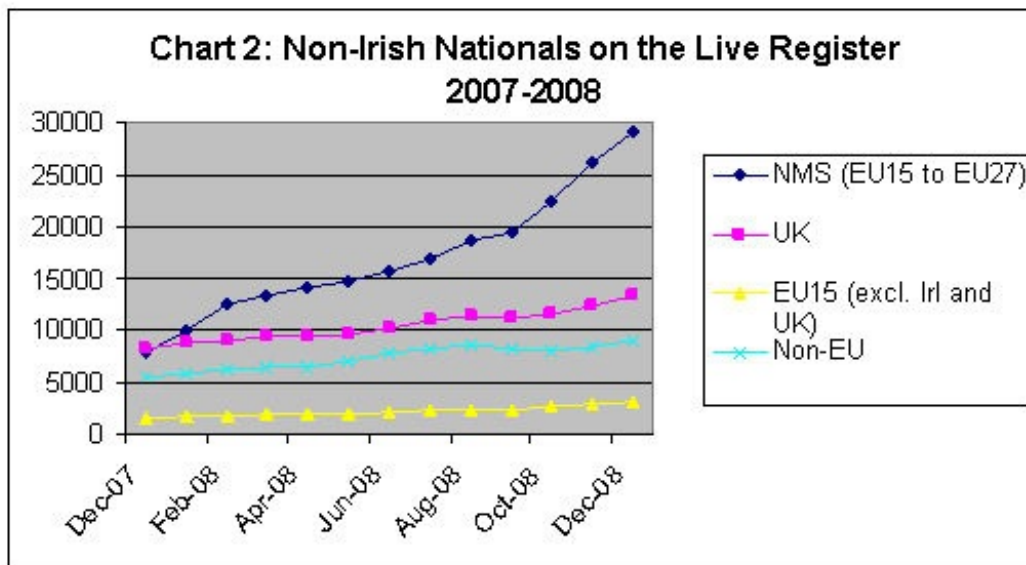


Source: Department of Social and Family Affairs 2009

2.3 The most visible indicator of the current downturn has been a significant increase in unemployment. Throughout the year 2008, almost 80,000 jobs have been shed in Ireland. By the end of that year, the overall unemployment rate stood at 8 per cent. If broken down by nationality, the data shows that the unemployment rate among Irish nationals increased from 4.3 per cent to 7.3 per cent, whereas among non-Irish nationals it rose from 5.6 to 9.5 per cent. An increase in unemployment was particularly noticeable among NMS migrants where it increased from 5.3 per cent to 10 per cent (QNHS, 2009). Thus, although both Irish and non-Irish workers are affected by the crisis, the latter have experienced a sharper increase in unemployment in recent months.

2.4 Another indicator for the current downturn is an increase in people signing on the Live Register. Most recently there has been a significant increase in the number of non-Irish nationals applying for either jobseeker's benefit or jobseeker's allowance. Between December 2007 and 2008, the number of migrants signing on increased by over 130 percent from 23,234 to 54,455. During the same period the number of Irish nationals signing on rose by over 60 per cent from 147,142 to 236,908. NMS migrants, who previously had the highest employment rate of all migrant groups, have seen by far the highest increase of people signing

on, with numbers rising by over 200 per cent from 7,934 to 26,089 (Chart 2). In addition to deteriorating economic circumstances, the fact that many NMS nationals now fulfil the Habitual Residence condition which requires people to be resident in Ireland for at least two years to qualify for welfare payment, is likely to have contributed to the huge increase as well.



Source: Central Statistics Office 2009

2.5 Thus, the preliminary evidence that is beginning to emerge suggests that migrants are somewhat more affected by the crisis than Irish workers. This would be in accordance with historical experience during the 1970s when migrants in less-skilled positions in industrial manufacturing and construction were laid off (Castles/Miller, 2003; Slater, 1979). However, the parallels to the 'guestworker' era should not be overemphasised. NMS migrants, while over-represented in low-skilled jobs, are not confined to the latter but are found in occupations across the skills spectrum. Moreover, they tend to be more mobile than previous generations of European immigrants in the light of new travel opportunities and a free movement regime (Favell, 2008). How, then, do they respond to changing economic circumstances?

Migrants in a recession: will they stay or will they go?

3.1 To explore migrant responses to the recession, we now draw on an ongoing Qualitative Panel Study (QPS) on the experience of Polish migrants in the Irish labour market. Our sample includes twenty-two migrants, ten women and twelve men, aged between 22 and 38 years who almost all arrived in Ireland post-enlargement 2004. They are found in a variety of occupations ranging from general operatives and less-skilled service sector positions to managerial and professional positions in four employment sectors, construction, hospitality, software and financial services. Our interviewees are interviewed every four months over a period of two years. As we assume that some participants may leave Ireland during this time, the study is designed to interview migrants at their new destination, either face-to-face or on the telephone. In fact the first interviews with two return migrants from our panel have already been carried out in Poland. While such a methodology necessarily involves only a relatively small number of interviewees and does not claim to be representative of Polish migrants in Ireland, it enables researchers to map changes (or lack of them) at the individual level over time (Farrall 2006). This is of particular relevance for the analysis of how migrants adjust to changing economic circumstances during a downturn.

3.2 So far our participants have been interviewed three times since spring 2008. In particular in the last interview wave we also asked questions in relation to the current downturn. Predictably, Polish migrants, as the rest of the population, are becoming more concerned about their jobs. At the same time, however, we only found limited evidence to suggest that migrants are about to leave the country in greater numbers because of the economic crisis. This, as we argue, is because of a number of factors, including continuous employment opportunities, social welfare arrangements and the role of non-economic factors such as social networks.

3.3 Although many jobs are currently lost in Ireland, it is worth bearing in mind that a clear majority (76 per cent) of all NMS migrants over the age of 15 remain in employment (QNHS, 2009). Furthermore, even if migrants should lose their job, this may not necessarily lead to their departure as social welfare arrangements offer some protection against unemployment. As already mentioned, most NMS migrants

who arrived post-enlargement are now eligible for welfare benefits and they are increasingly aware of this: 'You can always get...I wouldn't want to...but you can get the benefit here, the one for the unemployed. So it gives you some survival' (male, 30). Moreover, as this recession has a global dimension, returning to the home country may be less of an option (Castles, 2009). As one interviewee who works in financial services put it: 'Back in July (2008) I thought that in the first quarter of this year I'd be returning to Poland but, well, in Poland it's not great either' (male, 32).

3.4 What is sometimes neglected in the debate about whether migrants will 'stay or go' is that the decision to migrate and, consequently, to stay or move on, is not reached on the basis of economic considerations alone. Certainly economic 'push' and 'pull' factors are a necessary condition to trigger migratory movements. In other words, if there had not been significant wage differentials between Poland and Ireland, with high unemployment in the former and significant labour and skills shortages in the latter, large-scale migration between the two countries had not occurred. However, in the later stages of the migration process, push and pull factors become less important and networks take on a greater importance (Massey et al., 1993; Waldinger/Lichter, 2003). The longer migrants stay abroad, the more they become immersed in the various social networks in the host country: 'I practically don't have any of my friends over there (in Poland). And here, you know, I have loads of friends; my whole life is centred around here' (female, 28). New found social relations can influence the decision to stay in the host country: 'For the moment I'll be here...at the beginning it was tougher, but now I'm somehow becoming more and more acclimatised when it comes to friends, some acquaintances and stuff like that' (female, 24). Thus, migrant networks help to sustain the migration process relatively independently from short-term economic change, including an economic downturn (Portes, 1995).

3.5 Another factor that goes beyond just economic considerations is the search for a better quality of life. Most research on intra-European mobility usually finds that there exists an 'East-West' divide as to why people move abroad. Whereas for NMS nationals a higher household income is the single most important reason to move to another country, for nationals from the 'old' Member States 'quality of life' issues are at least equally important (EU Commission, 2008; Recchi, 2008). Certainly for most of our participants the search for a job and a higher income were initially the single most important reason to move to Ireland: 'In general we came here for earnings. Not to live here nice and beautifully' (male, 30). Nevertheless, our interviews also suggest that the longer NMS nationals stay in Ireland, the more issues like quality of life become important and may influence their decision to stay. As one interviewee put it, 'I care about people who I work with, I like living in this country, you know, I like the lifestyle' (male, 27). This may also apply to the work experience. While it is true that some interviewees reported exploitative working conditions particularly when they initially entered the labour market, others contrast their work experience quite favourably with their previous employment history in Poland. Such a rather positive view of the workplace culture in Dublin also emerged in other research on the experience of Scottish migrants in the Irish Capital (Boyle, 2006). As reported by an architect:

When I came here, and you know, my boss trusted me from the very beginning, he said: 'listen, you will do this and that' and really, I am very happy about it. Because he really trusted me and he let me do the project on my own regardless of the fact that I had almost no experience back then. In Poland you still work on the basis that 'I am your boss and you are my employee and I am better than you and you are worse' (female, 28).

3.6 What our research found is that many of our participants were quite uncertain about their future long-term plans which appears to be compounded by the downturn: 'So I'm a bit kind of without a plan. And, I don't know, for the moment I'm awaiting what will happen at my bank' (male, 32). Thus, many NMS migrants adopt a 'wait and see' approach and try to keep their options open. This 'intentional unpredictability' (Eade et al., 2006) makes it quite difficult to forecast how they will respond to changing economic circumstances. This is all the more so the case as future job prospects appears to be beyond the control of individuals in the current economic circumstances:

If somebody is asking me when I will go back to Poland then I always say that I don't know. Because it can be like that I lose my job, I don't find another one and I could be back in a month time (male, 30).

3.7 Although it is too premature to draw any definite conclusions at this stage, our preliminary findings suggest that those migrants who primarily view their employment in Ireland as a temporary job to earn some money may be more inclined to return home or move on to elsewhere, particularly if they have worked in sectors such as construction that have been badly hit by the recession. As NMS migrants can frequently cross borders without fear of not being able to return, they have more opportunities than previous generations of European immigrants to respond to an economic downturn. ^[1] At the same time, however, there is little doubt that many other NMS migrants, particularly those who have acquired sufficient English

language proficiency and relevant work experience, may be less in a hurry to leave the country:

For the moment I'm staying here...Somehow the perspective of going back to Poland doesn't make me happy. I just think that it's better for me to live here...I have much more opportunities here (male, 27).

Conclusion

4.1 Ireland has entered the post-Celtic Tiger era as it has been severely hit by a recession. In this paper we explored the impact of the economic crisis on Polish migrants in the Irish labour market. In accordance with the international experience, inward migration into Ireland has slowed down recently. At the same time, however, there is only limited evidence to suggest that those migrants who already are in the country will leave in greater numbers because of the downturn. By drawing on a Qualitative Panel Study on the experience of Polish migrants in the Irish labour market, we argued that the decision to 'stay or go' is more complex than any simplistic assumptions about 'Poles going home' allow for. For a start, a significant majority of NMS migrants remain in employment, in spite of the downturn, and the situation in the home countries may be even worse. Furthermore, even if migrants should lose their job in Ireland, welfare arrangements offer some protection against unemployment. Moreover, the longer migrants stay in the host country, the more non-economic factors such as social networks and quality of life take on a greater importance. NMS migrants may be more mobile than previous generations of European immigrants, but for the moment at least there is little evidence to suggest that the current crisis will trigger large-scale return migration from Ireland. [2]

4.2 This raises some important issues in relation to migration and recession. Countries such as Ireland and the UK experienced large-scale migration from the NMS at the time of a booming economy. During that time NMS migrants were relatively well received in both countries, in the light of significant labour and skill shortages. To what extent may this perception change during an economic downturn and more intense competition for jobs and resources? Recent protests in the UK against the deployment of 'posted' workers from Italy and Portugal to an oil refinery in Lindsay ('British jobs for British workers') illustrated the potential for an anti-foreigner backlash at times of deteriorating economic circumstances (Rogers et al. 2009). Although similar scenes have so far been absent in Ireland, political leadership on the issue of migration is required by politicians, social partners and other stakeholders. Is there enough political goodwill to defend the employment and welfare rights of migrants even, or perhaps especially, during a downturn? Will migrants who have lost their job be afforded the same opportunities for retraining and upskilling as Irish workers? Or is there a tacit assumption that migrants will return home 'when times are getting tough'? As it has been argued in this paper, the latter could prove a fallacy.

Notes

¹ One of the reasons why immigrants during the 'guestworker' era did not return home at the time of the oil crisis in 1973 was that they feared they would not have been able to return again to work in their respective host countries (Martin et al., 2006: 19).

² Interestingly, these findings are corroborated by recent research on the impact of the recession on NMS migrants in England. Glossop and Shaheen (2009) found that in spite of the downturn there is little evidence to suggest that migrants are about to leave the country in greater numbers.

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