

## DIVERSITY AND THE BULGARIAN LABOR EMIGRATION CASE<sup>2</sup>

*The last years the transformation of Bulgaria into a predominantly country of origin of migrants and the establishment of Bulgarian Diasporas abroad is a phenomenon that has attracted the interest of demographers, cultural anthropologists, historians, economists and sociologists. This study is based on the following statistical and other sources and aims to show the growth and characteristics of the Bulgarian labor migration in the period after the transition to a market economy in Bulgaria. The aim of the study is to reveal also the formation of regional communities in the European countries in which Bulgarian Diasporas were formed. An attempt is made to clarify the economic, social and psychological status of the Bulgarian migrants, as well as their integration in a multicultural society. One of the main questions is to reveal how the Bulgarian Diaspora affect diversity in the host-countries. Another aspect of the analysis is to identify the role of remittances as one of the manifestations of Bulgaria's integration into the international migration process, and an additional cash flow aimed at maintaining the financing of Bulgarian households.*

*JEL: F22; F24*

### 1. Introduction

International migration is one of the main manifestations of the globalization of economic relations and the phenomena which accompany changes in the the international movement of the factors of production. The work on international migration is seen as a positive contribution to the development of societies and a broader perception of diversity as an opportunity, and of migrants as an asset, a key actor for the construction of a multicultural coexistence, where they will be a bridge between countries of origin and hosting societies.

Bulgaria, as a country that opened its economy, liberalized its trade, economic and financial relations, and joined the EU in 2007 is not an exception to the developments in the international migration process. The Bulgarian society is

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becoming more and more diverse and heterogeneous, not in the least due to emigration for a variety of reasons. This is a global as well as a national challenge.

Since the early 90's large numbers of people emigrated from Bulgaria and headed to destinations that have offered new challenges and life opportunities. Bulgaria became a country of origin of migrants. During this period, a large emigration wave from Bulgaria headed to Germany, USA and Canada. USA remains even today a preferred destination for highly qualified specialists and young Bulgarian families. Easy integration in the society, feasibility and high pay are the main advantages of the USA. Because of the administrative barriers, Germany has been a difficult territory to enter and settle into. Bulgarian migrants have been motivated to persist in their desire to find ways to settle in Germany. They were attracted by the good social policy, the good education and better payment compared to the Bulgarian one, as well as by the geographical proximity to their native country. One of the simplest ways to settle in Germany was the perfect opportunity to study and work and be supported by the well-laborated system for immigrants' integration.

Since 2000, changes occurred in the structure of the Bulgarian labor migration. The proportion of persons with low qualifications and education grew to become the biggest group of emigrants. Furthermore, the direction of migrants' flow changed towards the countries of Southern Europe (Greece, Spain, and Italy).<sup>3</sup> Due to the active credit policies and investment boom in the construction sector, infrastructure projects and other activities, the labor market of these countries opened to the inflow of foreign workers.

Meanwhile, the procedures for leaving Bulgaria were facilitated and a great number of mainly young people left in search of other labor and life opportunities, influenced by different motives and factors of a personal, financial and professional nature. The temporary movements of people changed the nature of the Bulgarian labor migration and from permanent it turned to a seasonal one.

The Bulgarian scientific and public sphere has in the last years become increasingly dominated by topics related to emigration and integration. The transformation of Bulgaria into a predominantly country of origin of migrants and the establishment of Bulgarian Diasporas abroad is a phenomenon that has attracted the interest of demographers, cultural anthropologists, historians, economists and sociologists. The emergence of a number of interesting studies is based on questionnaire surveys, data obtained from the border control authorities, the National Statistical Institute (NSI), and the Bulgarian National Bank. In many cases, useful and reliable information can be obtained from the discussion forums on the Internet sites where the Bulgarian migrants describe their life experiences, their thoughts and feelings.

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<sup>3</sup> Until 01.01.2007 Bulgarian citizens had no right to stay longer than three months within the Schengen countries without a residence permit.

However, access to raw data is not always easy and the data itself is often contradictory.<sup>4</sup>

This study is based on the following statistical and other sources and aims to show the growth and characteristics of the Bulgarian labor migration in the period after the transition to a market economy in Bulgaria. The aim of the study is to reveal the causes of increased migration from Bulgaria and the formation of regional communities in the European countries in which Bulgarian Diasporas were formed. An attempt is made to clarify the economic, social and psychological status of the Bulgarian migrants, as well as their integration in a multicultural society. One of the main questions is to reveal how the Bulgarian Diaspora affect diversity in the host-countries. Another aspect of the analysis is to identify the role of remittances as one of the manifestations of Bulgaria's integration into the international migration process, and an additional cash flow aimed at maintaining the welfare of Bulgarian households.

## **2. Summary of Facts and Features of the International Migration of Bulgaria: Growth and Trends**

### *2.1. Short review of the literature on aspects of the Bulgarian labor migration*

The inclusion of Bulgaria in the international migration processes has been studied and analysed by many Bulgarian and international researchers working in different disciplines. The application of different methodologies and research on various aspects on the development of the Bulgarian labor migration provides a more complete picture of the distribution of the Bulgarian migration flows by country and the formation of the Bulgarian Diasporas. The studies deal with different aspects of the lives of migrants, images of different types of migrants, examination of their social behavior, psychological state, preservation of their cultural and traditional values, and many other aspects that throw light on the processes that shape the image of a Bulgarian migrant. The emigration of population is not a new phenomenon in Bulgaria. Due to political turmoil, wars, and redrawing of boundaries, there have been massive migratory movements within the Bulgarian population before. (Iv Balev). Based on detailed statistical material J. Kalchev examines in depth the historical and demographic aspects, the trends and the main motives of the Bulgarian labor migration during the whole period of development of the Bulgarian state since the end of the nineteenth century. Particularly interesting are his studies on the genesis and intensity of migration processes in the period from the early 90's when, because of the sharp deterioration in the economic and financial situation in Bulgaria and the openness of borders, significant numbers of people

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<sup>4</sup> According to NSI, it lacks reliable information on how many people have changed their address of residence in Bulgaria and how many abroad, and how many people have emigrated abroad and have returned back to Bulgaria.

decided to emigrate, in pursuit of personal and professional goals, or to flee from a harsh reality.<sup>5</sup>

In economic and sociological terms, the Bulgarian labor migration is examined from three points of view. The first one is an analysis of the ongoing demographic and emigration processes in Bulgaria, and the reasons for emigration. Since 2000 attempts have been made to outline the interrelations between the emigration processes and the socio-economic impact on the host country (S.Totev, J. Kalchev 2000), as well as the potential willingness of the Bulgarian population to emigrate. (V. Mintchev, V. Boshnakov, Goev (2004)).

The second strand examines the growth and the structure of the Bulgarian labor migration (J. Kalchev, I. Balev (2001, 2006)). The effects of the exodus of skilled and educated people on the economy of Bulgaria (the brain drain) have been analyzed too. The issue of brain drain from Bulgaria has been discussed by the International Organization for Migration (IMO) in 2001. The discussion seeks to identify the economic and other conditions that would attract the skilled labor force back to the country.<sup>6</sup> A. Gächter (2002) covers all aspects of emigration and immigration to Bulgaria in the period after 1947. R. Rangelova (2007) analyzes the economic aspects of the Bulgarian labor migration, focusing on the impossibility to attract back Bulgarian migrants and the marginal impact of remittances on economic growth.

The issues of remittances are relevant to Bulgaria, where they seem to contribute significantly to maintaining the living standards of many Bulgarian families in the country and to affect consumption and investment in a macroeconomic perspective.

The third strand is based on sociological surveys which examine the experience of return migration of Bulgarians. This type of studies also deal with migrant remittances, and the socio-demographic profile and behavior of returning emigrants V.Mintchev, V. Boshnakov (2006). S.Kostadinova argue that the Bulgarian labor migration has brought more benefits than losses to Bulgaria and has helped to integrate Bulgaria in the world economy.

Substantial contributions in clarifying the profile and behavior of the Bulgarian labor migration are made by authors like E. Markova. They not only identify features of the development of Bulgarian labor migration, but highlight the important factor of economic and social integration, like social and linguistic inclusion, psychological stability, knowledge of cultural and traditional characteristics of the host country. In most cases, the integration of Bulgarian emigrants in the host country depends on how quickly they can learn the local language, whether they attend training courses, and communicate with the immigration and social services in the host country.

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<sup>5</sup> Kalchev, J. External Migration of the Population in Bulgaria. Danube press AD, Sofia, 2001, p. 134.

<sup>6</sup> ILO Workshop. The Return of Highly Qualified Emigrants to Bulgaria. Sofia on 29-30 June 2001.

Faster entry into economic and social environment of the host country is a prerequisite for a realistic and sure future realization of their intentions and plans.

These studies have created a body of knowledge about the personal and the professional realization of migrants. It becomes evident that the accession of Bulgaria to the EU has affected the trends and developments of the Bulgarian labor migration, the causes and perceptions of emigration, and the manner in which Bulgarian migration has changed its nature and structure in space and time. The growing number of studies by Bulgarian and foreign researchers helps clarify the main problems and prospects of the Bulgarian labor migration.

## *2.2. Evaluation of size and intensity of external migration in Bulgaria*

In the years of the planned economy characterized by the strong influence of government intervention in people's lives, economic mobility of the population abroad was very limited. Given the lack of concrete data and more detailed statistical studies, it is difficult to determine the legal status of the Bulgarian citizens abroad before 1990. We cannot define their features with absolute precision. For example, Bulgaria concluded agreements with countries in the Middle East and Africa to send skilled workers to assist the economies of developing countries. These were temporary residents who cannot be called immigrants or "guest workers" because they were officially employed abroad for a specific period of time and a refusal to return was treated as an offence.<sup>7</sup>

The modern development of migratory processes in Bulgaria began in the early 1990s with the beginning of the transition to market economy reform and it continues to this date. Data from population censuses conducted in 1992 and 2001 indicate that in this period, approximately 196 000 people emigrated from Bulgaria, while the number of return migrants to the country is 19 000. Net migration from Bulgaria is negative and it amounted to about 177 000 in the period 1992-2001. The annual emigration is estimated at 22 000 people. However, other data indicate a significantly higher number of migrants by sociological evaluations of samples. For the period 1990-1992 around 247 000 persons emigrated with the highest number emigrating in 1990 – nearly 90 000, i.e. the intensity of emigration is about 10%.<sup>8</sup>

Since 1989 many Bulgarians, most of them highly qualified, left the country, mainly for Germany, USA and Canada. About 65% of them have university education, which allows us to affirm that in this period a process of "brain drain" occurred in

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<sup>7</sup> Many Bulgarian young graduates with language school teaching in German (18 schools throughout Bulgaria), relocated to the former GDR after graduation. Another model of immigration abroad was marriage with a foreigner but the exact numbers are difficult to establish because of subsequent naturalization. It is more difficult to determine the number of political migrants from Bulgaria for the entire postwar period for lack of reliable statistics. Refugee status was another opportunity for the establishment of Bulgarian citizens abroad.

<sup>8</sup> Guentcheva, R., P. Kabakchieva, P. Kolarski. The Social Impact of Seasonal Migration. – In: Sharing Experience: Migration Trends in Selected Applicant Countries and Lessons Learned from the 'New Countries of Immigration' in the EU and Austria". European Commission Project: Vvolume I – Bulgaria, September 2003.

Bulgaria. The levels of unemployment, the low incomes, the poor appreciation (even lack of it) of professional qualities, the political and economic turmoil, as well as the increased insecurity and crime pushed people to emigrate from Bulgaria.<sup>9</sup> Internal factors have been an important impetus for migration, but external factors also played a role, such as a favorable economic environment, demand for labor, development of new high technology industries and market niches, better pay and career opportunities. Besides economic reasons, emigration decisions are also motivated by factors such as quality of life, better education for the children, professional development, a better and more secure life.

The period 2002-2006 saw an ebb in the emigrant flow. The structure of the Bulgarian labor migration changed with the increase of the emigration of young people aged 20-29 with low or no qualification at all. They were employed in a variety of jobs not requiring special skills. This trend was due to the lack of work in Bulgaria, the high unemployment levels, especially in villages and small towns. The perspective and the feasibility of better payment was another decisive motive for young people to emigrate. Their intention was to remain abroad temporarily, but in many cases they stayed permanently.

Data in recent years provided by NSI on emigration from Bulgaria show the following trends. a) The mechanical growth of the population is definitely negative, this being particularly marked for people of working age. b) In 2007 and 2009 more women than men emigrated from Bulgaria. c) Despite the decrease in the intensity of migration, this process remains constant even in the conditions of the global financial and economic crisis.

Table 1

Emigration from Bulgaria in Recent Years by Gender

Numbers	2007			2008			2009		
	Settled in the country	Expelled from the country	Mechanical growth	Settled in the country	Expelled from the country	Mechanical growth	Settled in the country	Expelled from the country	Mechanical growth
Total	1 561	2 958	-1 397	1 236	2 112	-876	3 310	19 039	-15729
Male	877	1 119	-242	674	766	-92	1921	8353	-6432
Women	684	1 839	-1 155	562	1 346	-784	1389	10 686	-9297

Source: National statistical Institute <http://www.nsi.bg/otrasal.php?otr=19>

In 2009, the total number of persons registered abroad was 19,039 people. Of these nearly 44% were male and 56% - female. Around 52% of emigrants were aged 20-39. In the age group 40-59 the proportion of immigrants is 24%. Most young migrants (under 20) account for 21% and those of 60 years - nearly 3%.

<sup>9</sup> Simeonova, D. Migration and Homeland Security. Center for Study of Democracy (on 30/05/2010 <http://www.csd.bg/index.php?id=165>)

Table 2

Structure of Emigrants by 2009 by Age, %

<b>Age</b>	<b>Percentage of whole emigrants</b>
Under 20	20.9
Between 20-29	24.3
Between 30-39	27.2
40 - 49	15.1
50-59	8.9
60 +	3.5
<b>Total</b>	<b>99.9</b>

Source: NSI

Based on a monitoring questionnaire (1.06-31.12.2008) the number of people emigrating in 2008 by country (Bulgarian and foreign nationals) is estimated at more than 10,000. Most of them (90%) are Bulgarian citizens. Around 46% of emigrants are men and 54% are women. Most migrants are aged 20 to 39. Nearly 49% of them leave the country with the purpose to emigrate and to find a permanent employment, 17% leave the country for "education", and 21% are persons who accompany active migrants.<sup>10</sup>

The trend of emigration of young people from Bulgaria remains relatively unchanged. The change in the social structure of the Bulgarian labor migration from highly-educated and qualified people to low-skilled workers has been defined as a relatively positive development in Bulgaria because it suggests that people with higher education are staying in Bulgaria. This has been interpreted as a sign of the improved health of the Bulgarian economy boosted by modern technologies. However, there is no solid evidence to back such a claim.

The change in the structure of the migration process from skilled to mostly unskilled people, as well as the reorientation of migrants' flows to countries of Southern Europe, has changed the nature and behavior of Bulgarian emigrants.

The case of the integration of Bulgarian migrants in Germany was different. As it was mentioned Germany remains one of the most desirable destinations for life and work. This is because Germany is a politically and economically strong country, with well-established social policy, prompt payment, good quality of life and education, and a secure and safe environment. Notwithstanding the considerable interest in working in Germany, Bulgarian emigrants are limited by the requirement for fluency in the German language.

In practice, most of the Bulgarians who speak German, or have finished one of the German language schools in Bulgaria have already settled permanently in Germany. Getting a job in Germany is different from elsewhere in Europe. The Federal Republic of Germany (FRG) maintains the restrictions for Bulgarian labor migrants

<sup>10</sup> Results of questionnaire on external migration monitoring flows, NSI, 2008 (<http://www.nsi.bg>)

after Bulgaria's EU adherence. FRG reserves the right to keep the restrictions in place for a maximum allowed period of seven years. Meanwhile four agreements were signed between Bulgaria and Germany.

The first document (1992) deals with the employment of workers to expand their professional and language skills. Applicants must have very good command of German and high qualification and specialization in the field of their future work. The employment period is 12 months, extendable to a total of 18 months. The quota is 1000 people annually from all professions, but in recent years has not been filled. In 2007 in the Employment Agency of Bulgaria only 52 contracts were received, mainly in agriculture and the food sector.<sup>11</sup> A second agreement (2005) allows for the recruitment of Bulgarians in Germany as seasonal workers in hotels and restaurants and as domestic helpers in households with persons in need of care.<sup>12</sup> More Bulgarian seasonal workers receive individual contracts through existing personal contacts. After the membership of Bulgaria to the EU, many Bulgarian emigrants turned to the free labor market in Europe with two transitional periods for West Germany.

Despite the contradictory estimations about the number of Bulgarians in Germany, as well as the constantly changing flow of mobility in and out of the country, we can make some general conclusions: The absolute number of Bulgarian citizens in Germany increased by nearly 50% for the period 1999 to 2007. In 2004 the absolute number of the Bulgarian migrants in Germany decreased sharply. It dropped by nearly 11.5%, over the next two years and this indicator has not changed substantially. In 2007, the year of Bulgaria's accession to the EU, the growth of Bulgarian emigrants reached nearly 20% in relation to the absolute decrease in the local and foreign people in Germany.

The share of Bulgarian immigrant women in Germany increased in absolute and relative terms (to 57% in 2007); since 2003 their number permanently exceeds that of the men, which is not typical for most of the other foreign ethnic groups in Germany. The average age of the Bulgarian citizens in Germany is 35.4 years, because the vast majority is students, young workers with potential for professional realization and development, short term or seasonal employees for which the age limit for residence in Germany is 40. In 2009 the migrants from Bulgaria were 29 000. Of them 17,000 were men. Currently about 23%, which is the majority of all Bulgarians who moved to an EU country headed to Germany. According to data

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<sup>11</sup> There is an established application procedure for this convention. The Central Employment Office in Bonn reports that it recruits candidates with certain professions and conducts individual interviews with each candidate in Bulgaria. The documents of the successful candidates are transferred to German employers who are the ones to offer employment. Another option is to be invited by a German employer. A candidate who finds a job thanks to personal contacts must honor the requirements of the Convention.

<sup>12</sup> The agreement allows employment up to four months in a calendar year in hotels and restaurants and three years working as a domestic helper. There is no annual quota.

from the Statistical Office of Germany, the Bulgarian ethnic group is the fifth biggest after the Poles, Romanians, Turks and Americans.<sup>13</sup>

The Bulgarian student community in Germany is a multicultural one and open in its social contacts. As more students have arrived in recent years a Bulgarian students' Diaspora in Germany has been formed. This Bulgarian student ethnic group has a tendency to close itself in an ethnic niche and seeks mono ethnic contacts.

On the basis of a survey of the Bulgarian students in Germany it is possible to draw some conclusions about the profile and development of the Bulgarian emigrant community in Germany.<sup>14</sup> Nearly 60% of Bulgarian students and graduates in Germany see their professional realization only outside Bulgaria. 32% of the respondents believe that in the short term their professional future is in Germany. 53% are more likely to stay and work abroad. 11% of the respondents would prefer to return to Bulgaria and only 4% are determined to return back to their home country.

The study confirms the negative attitudes of Bulgarian students in Germany towards the economic and social development in Bulgaria and phenomena like corruption, incompetence and bureaucracy. In the long term, the attitudes of Bulgarian students change over time with the expectations that things in their native country will improve and they are prepared to return to Bulgaria. This means that a career in Bulgaria is part of their personal and professional plans. However, they expect that the economic situation, the standard of living, the level of salaries, and the social benefits will be improved under the influence of the EU (Still about 60% of students, graduated from the universities in Germany, link their long term professional future with work abroad). There are two main factors which influence the choice of Bulgarian students are achieving a good living standard on the one hand and proximity to their family on the other.

The attitudes to these two fundamental factors are different. The Bulgarian students who choose to remain abroad have as their top priority a high standard and quality of life and ample opportunity for personal and professional fulfillment. Those who choose to return to Bulgaria consider that the being close to the family is a more important priority. They attach lesser importance to the standard of living. Both groups of respondents - those who seek professional realization abroad and those who intend to return to Bulgaria share the same concerns about the possibility for a successful career in Bulgaria. The most important fact is that the country lacks a targeted state policy aimed at attracting back into the country educated young people. In addition to this, even though the private sector is well developed and in some industries large companies are operating no incentives have been created to attract these highly educated workers. In some cases students who have completed

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<sup>13</sup> Federal Statistics Office of Germany (2008) (<http://www.destatis.de>)

<sup>14</sup> The respondents are ten percent of the Bulgarian students in Germany, mainly studying economics, informatics, sociology and mass media. The survey has been conducted by a team of students from the University of Mannheim (Germany).

their studies in fields like high technology and information services find it practically impossible to pursue a career in Bulgaria. Last but not least there is the consideration of the expected remuneration in the future.

In practice it is difficult to determine the number of Bulgarians in England, another destination of the most educated part of the Bulgarian labor migrants. In England most of the Bulgarian emigrants who settled there set up their own businesses. Under British law they are treated as hired workers and business people which allows them to live and work freely in Britain and integrate in the economic and social environment.

In recent years in the countries of Southern Europe – Greece, Spain, and Italy, colonies of Bulgarian immigrants were formed most of them engaged in activities that do not require high levels of education or skills. The most important Diaspora of Bulgarian labor migrants is found in Spain and Greece which have become a desirable destination. There is no reliable data on the actual number of Bulgarian immigrants in Spain, but according to unofficial information they are about 350,000. For example, the most compact Bulgarian Diaspora is concentrated in a suburb of Madrid (Hetafe). It is estimated that there are about 50,000 Bulgarians, mainly from the town of Shumen and the region of Ludogorie in Bulgaria who live in this part of Madrid.<sup>15</sup> In other parts of the Spanish capital there are a further 50,000 Bulgarian migrants.

The Bulgarians who have settled permanently in Spain try to preserve their cultural and intellectual roots by, for example, publishing a journal ("New Word"). The men work mainly in construction and the women as domestic helpers. The second largest concentration of Bulgarian migrants in Spain is in Segovia where their number is around 6 to 7000 people, with many more in the close neighborhood of Segovia.<sup>16</sup> The Bulgarian migrants account for 15% of the population of this Spanish community. Such concentration of population on the territory of this relatively small Spanish town has an impact on local public, social and cultural life. The Bulgarian migrants can influence the local policy of the community by participating in the local elections. The Bulgarian mass culture is everywhere in the city in the form of posters.

The movement and destination of Bulgarian emigrants to Greece depend directly on the status that the individuals have with respect to the legislation in the country. Most Bulgarian migrants who travel with a dual work permit, which requires both the presence of an employer and a employment contract, pass through the regular border control procedure between Bulgaria and Greece. A small part of those who have opted for an illegal stay enter the country as tourists, and subsequently (within the authorized tourist stay) they seek an employer. This category of emigrants usually faces the organizations for illegal traffic of people – with all the negative

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<sup>15</sup> This suburb is called "Little Shumen" and that is the best illustration of the size of the Bulgarian population there.

<sup>16</sup> Unique medieval city of Spain, which is located 100 km. north of Madrid.

consequences this entails. Most of the illegal emigrants disguised as tourists reached Italy via the route Bulgaria – Yugoslavia – Croatia – Slovenia – Italy.

Subsequently, taking advantage of the lack of border controls between Italy and Greece, they enter the latter unobstructed and look for an employer there. The specific feature of this group of illegal emigrants is that, in most cases, on the territory of Bulgaria, they have already fallen into the people trafficking network. Having been promised a legal stay they are later forced by means of violence to compensate the traffickers for the expenses they have incurred and therefore accept any kind of work, including prostitution. The same methodology and routes are used by the networks for the traffic of pregnant women who are brought to Greece for their delivery and then the new-born are sold in the country.

Greece is a risky country for Bulgarian emigrants. According to official data, only 70 000 of them are legal residents. Several thousand Bulgarian immigrants legalized their status in Greece after arrival. The vast majority of Bulgarian immigrants have no legal and labor protection, often working in very poor conditions and under enormous pressure. They cannot complain to the authorities if their rights have been violated because they often lack personal documents and/or have them confiscated.<sup>17</sup>

The above facts explain the composition of the Bulgarian community in Greece.

On the basis of the criterion 'right to stay' the Bulgarian emigrants can be divided into three main groups: *First*, Bulgarian citizens who settled in Greece 20 or more years ago. They are integrated in the Greek society and some have obtained Greek citizenship. One part of them has kept their Bulgarian national self-awareness, in spite of the unfavorable conditions of the host country in that respect. In recent times there is a tendency towards the national identification of these Bulgarian emigrants that is essentially facilitated by the fact that they are legal residents in the country. In Greece there are also Bulgarian migrants who are perfectly adapted to the Greek economic and social system. They are generally recognized by the Greek artistic circles. These are painters, musicians, sociologists, political scientists, bank officials, and university professors. *Second*, these are Bulgarian undergraduate and post-graduate students at establishments for higher education. They seek to establish and maintain contacts in the academic community, or with Greek citizens, with a view to eventually settling in Greece and finding employment there. *Third*, the Bulgarian economic migrants who left the country after the 1990s in the wake of the political and economic changes which took place in Bulgaria. This is the largest group. According to unofficial data, their number in Greece is about 200 thousand people or even 300 000 and 35-40% of them have settled in Thessaloniki and Northern Greece. . The exact number depends on the mobility of the Bulgarian population and the cyclical and seasonal demand for workers in Greece.

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<sup>17</sup> Another problem of the Bulgarian labor migration is the fact that most of the employees have been working illegally, mostly as low-paid workers, which means that they are not covered by the social security system, do not pay pension contributions, health insurance and other contributions.

The Bulgarian labor migrants in Greece and Cyprus constitute the highest percentage of immigrants in these countries compared to the native population of both countries. In the structure of the immigration in Greece seasonal workers make up the biggest share. A large part of these seasonal workers remain there permanently and spend more than 10 years. Seasonal workers coming from the region of the Rhodopes cross the border to work in Western Thrace. Bulgarians occupy niches in the labor market, like agriculture and tourism. In Athens, the Bulgarian migrants work as house-keepers, carers of ill and old people, cleaners, etc.

Bulgarian economic immigrants in Greece has the following particular features: A) Because of their low education level, most of them work in the building sector, in agriculture and as house helpers. They are paid by the day within the range of EUR 12 to 25 (30% of the payment of a local citizen). B) For objective reasons, i.e. the cumbersome administrative procedures in Greece, the illegal migrants' stay has not been legalised after the implementation of the new Law on Foreigners. The basic reason for this was the unwillingness of the Greek employers to prepare the necessary documents and pay social-insurance contributions, nor to comply with the provisions of the labour legislation in force in the country. C) The number of Bulgarian citizens that haven't been allowed by the Greek border authorities to enter the country is on the increase. The main reasons for this are the lack of financial resources, the outdated data in the police information files and the non-observance of the requirements for residence and employment. D) In recent years a growing number of citizens has been accused of stealing and drug trafficking. According to the Greek police authorities the Bulgarian migrants pose a lesser problem compared to the citizens of Albania, Russia and Moldova. E) In spite of the Agreement for Legal Assistance between Bulgaria and Greece, a big part of the Bulgarian documents are not recognised by the Greek administration bodies who require additional certification by the diplomatic missions in the country. towards migrants is still a work in progress legal framework amended Greece discourages from applying on a piecemeal and a case-by-case basis In this context, there is an obvious contradiction between the demand for inexpensive, labour provided by migrants and the country's more nationalistic attitudes. In addition, the specific parameters of the economic situation of Greece create difficulties in the equal access to social services.

For our country, the vicinity of Greece and the demand for manpower for the unattractive sectors of the Greek economy create conditions for growth in the number of economic immigrants of Bulgarian origin. Under these circumstances, the activity of the Bulgarian Minister in charge of the Agency for Bulgarians Abroad needs to be decisively improved in order to help and support the organisational consolidation of the Bulgarian Diaspora in Greece.<sup>18</sup>

The number of Bulgarians who work and live in Italy is about 135 000. They come mainly from the town of Vidin in Bulgaria. Whole villages have emigrated and the

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<sup>18</sup> Alexandrov, A. The Bulgarian Emigration in Greece, 2006. Study done for the purpose of the SUS.DIV project.

migrants work in agriculture on farms in the area of Udine. After the membership of Bulgaria to the EU more Bulgarians went to Italy to work temporarily (often for years) in the “green economic sector”, as domestic helpers and caretakers. Their work was legalized in 2009 by the Italian Government, allowing their integration in the Italian social system and life.

In Portugal, the number of Bulgarians is about 70,000. They work in tourism (20 000). Some of them are investors in different tourism-related projects, others are employed in industry. A large group of Bulgarians are working in the construction sector. There is a high concentration of Bulgarian migrants in Lisbon. The skilled workers are employed in road haulage as lorry drivers. They live mostly in the northern part of Portugal. Due to the relatively high level of salary compared to the average for Portugal this group of Bulgarian immigrants has a high standard of living and is considered a respectable and educated ethnic group by the municipal authorities and the local population.

Among the former socialist countries, the Czech Republic is a desirable destination for the Bulgarian emigrants. They work mostly in construction, transport and retail. The Bulgarian emigrant community in the Czech Republic was formed before the Second World War. The tolerance, the culture and the way of life in the Czech Republic have always been attractive for Bulgarians. Since Bulgaria joined the EU the number of Bulgarians increased by almost 70% and currently there are over 5000 Bulgarians employed there. The Czech Republic, Finland, Sweden, Latvia, Lithuania, Estonia, Slovenia, Cyprus, Poland and Slovakia provide free access to their labor markets for Bulgarian workers.

The global financial and economic crisis led to changes in the growth potential of the labor market in the traditional host countries. Depending on the intensity and magnitude of the effect of economic crisis, in certain sectors of the economy the most affected appear to be those who work in construction, tourism, and in sectors requiring low-skilled labor. The loss of jobs in some cases is forcing the seasonal Bulgarian emigrants to return to Bulgaria. According to some estimates, the cutting of costs and the budgetary constraints related to the financial insolvency in Greece will force some 150 000 Bulgarian migrants to return home. The same trend emerged for the long-term Bulgarian migrants settled in Spain and Italy. However, the reality is different because most of the migrants show themselves to be very adaptable to the challenges of living abroad. When they are laid off, frequently without notice, they easily find other low-skilled jobs in the host country.

However, the unemployment levels in Spain are rising and according to forecasts the workers from Eastern Europe will be cut by a quarter. In general the Romanians and Bulgarians employed there are 60% less than they were before the crisis. Many Bulgarians who have been living for a long time in Spain point out that they do not intend to return back to Bulgaria even though they have lost their jobs during the economic crisis.

They prefer to stay in Spain and hope to eventually find a new job, not in the least because Spain has a well-developed social policy which provides better security than

at home. Others point out that even if they are forced by the circumstances to return to Bulgaria, they would quickly look for other opportunities to go abroad for a long time. They believe that the economic crisis in Bulgaria has a permanent character and is deeper than in other EU Member States.

Some people who have established over time a fairly successful business in Bulgaria, or have had a good career, finally take the decision to emigrate because of the poorer quality of life compared with that in other EU countries. They are motivated by higher standards of health care, education, security, etc.

Many migrants work abroad illegally and face high risk. Given their specific circumstances they are encapsulated in their ethnic and/or family environment, and have no desire and ability to integrate in the host country. The legalization of the working conditions is a prerequisite for the integration of immigrants in order to create a strong foundation for their future long-term establishment and integration in the new socio-economic space.

The Internet forums are a reliable source for information and data about the behavior, the social status, the psychological condition, and the cultural adaptation of the Bulgarian migrants abroad. Despite some controversial information, the Internet forums are a tool and source for assessing the views of the migrants themselves. On the basis of their confessions, sharing views and work and life experiences, one can attempt a portrait of the social and cultural identity of the Bulgarian migrants in different countries. It is essential to obtain reliable information on the state of mind, the intellect, the emotional situation of the Bulgarian migrants, depending on the social group to which they belong, on the lifestyle and career abroad. In the context of the global economic crisis the psychological stability of the Bulgarian immigrant is deteriorating because of the "multiplying stress and uncertainty", as the reactions of people are quite different in relation to their level of education, their physical, financial, and last but not least their professional resources and realization.

The case of Bulgarian labor migration in the U.S.A showed that the encounter with the crisis is more traumatic for those immigrants who worked in construction, transport services, and real estate. Least affected by the crisis are the migrants with higher education and qualification and those who have become respected members of the respective society. A characteristic feature of Bulgarian emigrants (in the USA and other countries) is that they are enterprising, creative, with a sense of survival and intelligent.<sup>19</sup> These positive and useful qualities, however, are often combined with mistrust, nihilism, tolerance for lies, as necessary conditions to achieve the required targets abroad.

The average Bulgarian immigrant tends to compare himself continuously with others. This behavior is acting as a stimulus for the adaptation to the new economic, social and cultural values. For many Bulgarian migrants, this adaptation seems to be

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<sup>19</sup> Interview with Dr. J. Panova, Immigration is a long lonely experience, the 7.2.2010, [dnes.bg](http://dnes.bg)

much more difficult because they don't speak the foreign language, they do not have an adequate knowledge about the cultural and traditional values, and sometimes do not have an adequate and sufficient qualification.

The observations from the Internet information forums show that usually the successful migrants who have adapted well to the new environment are also those who had a successful personal and professional career at home too. At the beginning of their stay abroad they face difficulties too, but thanks to their experience, knowledge, and good command of the language, they manage relatively quickly to overcome the differences and difficulties and adapt to the new life. The Bulgarian emigrants (in Spain, Greece, Italy), employed as caretakers or other activities not requiring skilled work often have more severe medical and psychological problems than the people of whom they are taking care. In most cases, these workers are retired women who work hard abroad without sparing themselves, with the only aim to support financially their children or relatives back home.

A major problem is that these people work in a closed environment, where things do not change, they lack rest and recreation opportunities. They are exposed to stress and depression. In general unskilled workers tend to survive in their every day life, struggling with the loneliness, the limited labor opportunities, the frustration of doing jobs that they find unappealing. For example, despite the fact that in Greece there is a Bulgarian orthodox church, school and cultural center, as pillars that support the Bulgarian spirit in Greece, the Bulgarian migrants there are divided and everyone bears the burden of migration alone.

### **3. Remittances from Migrants – a Source of Survival for Many Bulgarian Families**

One of the main manifestations of the inclusion of Bulgaria in the international immigration flow is the occurrence of remittances by emigrants in the current account of the balance of payments. According to the data from BNB, they appeared in 2004 and have been steadily rising ever since .

Table 3  
Money Transfers from Bulgarians Living Permanently Abroad, % of GDP

Period	Remittances in million EUR	Remittances, % of GDP
2004	351.2	1.77
2005	369.5	1.69
2006	333.0	1.32
2007	634.7	2.21
2008	663.8	1.97
2009	693.4	2.07

Source: BNB Current account, Personal estimations.

The data provided by BNB does not reflect accurately and fully the amounts which are actually entering the country. In fact, the remittances of migrants rose from 5 to 7% of GDP. Along with bank transfers, Bulgarian emigrants send money in other ways too. For example, the transactions and the income of the company Western Union (Bulgaria) increased irrespectively of the impact of the economic crisis. Western Union has opened in Bulgaria 1,200 locations, an argument that remittances from abroad are on the increase. The main part of remittances come from Spain, Italy and Greece. Money transfers have been made from Turkey<sup>20</sup>, Germany, France, Belgium and Britain. The average amount sent per transaction from abroad is approximately between 300 and 500 EUR. The amounts sent from Great Britain are higher because of the higher exchange rate of the British pound and the higher salaries in the UK in comparison with those in other EU countries.

Currently, funds sent by Bulgarian emigrants are comparable, or even larger than funds coming from EU Funds. Money sent home by migrants to their families is spent on food, payments of bills, medical care, education, etc. helping alleviate shortages of macro social systems. Remittances support health and education and ultimately contribute significantly to the Bulgarian economy as a whole.<sup>21</sup>

The ongoing process of rising remittances supports the argument that despite the deterioration of the economic climate in the host countries and the job losses, the Bulgarian migrants continue to work and there is no evidence of a process of their returning back to Bulgaria. The reality is that when jobs are cut in one economic sector, the Bulgarian emigrants are flexible and turn to other opportunities. It is probable that some who have been employed in more skilled jobs accept employment at any price and agree to jobs refused by the local population. In the period January-March 2010 there has been no substantial reduction of remittances from Bulgarians abroad. They amount to 175 million EUR. According to a World Bank Report (2007) the particularity is that only 80% of the Bulgarian migrants do not send cash transfers to Bulgaria.<sup>22</sup> Amongst immigrants, who are effectuating cash transfers to Bulgaria, some of them send 30% of their average income, and 49% of them make transfers once a month.<sup>23</sup>

The impact of remittances on the Bulgarian economy can be seen in two main directions. *One* of them is Bulgarian migrants' investments in real estate properties, which are considered like foreign direct investments (FDI). A research done by the Institute for Market Economics<sup>24</sup> on the real estate market in Bulgaria reveals that

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<sup>20</sup> In Turkey live permanently and are employed more than 400,000 Bulgarians of Turkish origin. Not all of them of course are immigrants, many of them were Turkish citizens with roots in Bulgaria.

<sup>21</sup> Trends in cross-border labour migration and the free movement of people – the implications for Bulgaria. The Open Society Institute, Sofia, 2010 (<http://www.osi.bg>)

<sup>22</sup> Migration and Remittances – Eastern Europe and the Former Soviet Union, World Bank, 2007 (<http://worldbank.org>).

<sup>23</sup> B. Quillin, C.Segni, S.Sirtaine, I.Skamnolos, Remittances in the CIS countries: A Study of Selected Corridors, Chief Economist's Working Paper Series, Europe and Central Asia Finance and Private Sector Development Department, World Bank, 2007, Vol. 2, N 2.

<sup>24</sup> <http://ime.bg/>

10% of the concluded deals in the period 2002-2004 were financed by remittances. *The other one* is to support financially their relatives back home. For many Bulgarian families remittances are a source of income which helps alleviate their economic and financial instability and prevent poverty. According to estimates, the contributions of emigrants increased the income of about 300 000 Bulgarian families. The inflow of remittances has been increasing in recent years, but its impact on the Bulgarian economy remained marginal, despite the investment boom in real estate properties.

Remittances also have some negative effects on the economy. In general, the inflow of cash transfers has reduced the incentives of people to be more persistent when looking for a job. Income growth of the Bulgarian population leads to an increase in consumption expenditures, which puts pressure on the balance of trade for imports of consumer goods. This affects the overall level of domestic prices and leads to the rise of inflation. The currency board and the firmly fixed exchange rate of the Bulgarian lev to the euro does not allow the timely adjustment of the exchange rate in the event of hidden pressure for the appreciation of the currency and a subsequent assessment of the impact upon the competitiveness of the local goods and services. However, without remittances the economic and social conditions of life of many Bulgarian families could be much worse, and, despite the economic crises, most of the Bulgarian migrants remain abroad, because they know that in Bulgaria they are less likely to find jobs and have little prospects for a better payment and opportunities.

### **Conclusions**

The structure of the Bulgarian emigration after 1990 is very heterogeneous in nature. One part consists of highly educated persons who are well integrated into the socio-economic and social life of the host country. A priority for them is a life in a better organized state, with better payment and job and opportunities corresponding to their professional skills. Bulgarians took advantage of the open borders and the membership of Bulgaria to the EU and, through different channels, found ways to establish themselves in a host country. After a difficult period of transition in their emigrant life, associated with personal, financial, psychological and emotional problems, they managed to integrate into the society of the host country. This process is much easier for highly educated people with good command of foreign language. The Bulgarian migrants contribute to the enrichment of the local cultural and spiritual life when they are numerous, united and organized. They are trying to preserve their tradition and cultural values.

The forming of Bulgarian Diasporas in the countries of southern Europe is not based on previous tradition, nor on asylum or other political reasons, but on individuals with relatively lower educational qualifications, who are looking for jobs and opportunities for a better life. The main motive for emigration is finding a better-paid job. The temporary employment, often in the framework of mutually-agreed contracts, often becomes a long-term employment or a permanent residence. The integration of Bulgarian emigrants in the host country is supported by the

networks of social relations and contacts between migrants (family, friends, and professional status ethnic and cultural relations). This helps a quicker and easier adaptation to the living and working conditions in the host country. Remittances have been on the rise since 2004 and they continue to play an important role as a means for overcoming poverty and the acquisition of real estate by the Bulgarian migrants. They have no special role in the overall development of the economy but represent a tangible inflow of money, which has an impact on consumption and investment.

The global economic crisis led to reduced employment in many labor niches in the host countries. Few Bulgarian emigrants return to Bulgaria because they were unable to find another job or for other reasons. The return of highly-educated young people is unlikely, with the exception of a few of them who are more attracted by family values and are ready because of them to leave a better organized economic and social system. The economic crisis will undoubtedly have an impact on the trend of emigration of Bulgaria, but there is no evidence of a tangible decrease in this process in the near future.

The increase in immigration is justified by the influence of several factors, the first of them being the huge pay gap between Bulgaria and the old member states. But along with this fundamental reason, there are many other reasons arising from the difference in the quality of life between the developed countries of Europe and Bulgaria, where it is incomparably lower, especially in the areas of health, education and, last but not least culture. The inflow of funds in Bulgaria leads to an improved well-being of many households, but also generates some negative trends, as highlighted by the World Bank, associated with support for the domestic economy. The international migration of Bulgaria is the foundation on which to promote best practices in diversity by fostering networking, exchanging and collecting information on promising practices, and enhancing knowledge of the sector. Coordination and communication are prerequisites for further interest in the field of learning more about the life and cultural values of Bulgarian living abroad. They have their merits and contribution to promoting diversity in a multicultural and multi-ethnic society.

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