

COLLEGE OF EUROPE
BRUGES CAMPUS
EUROPEAN ECONOMICS DEPARTMENT

**The impact of cross-border educational mobility on
European labour market mobility**

Supervisor: Prof. Marcel Gérard

Thesis presented by
Lorena von Gordon
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Abstract

Over the last decades till today a rising demand for skilled labour (Williams, 2004) and simultaneously a rising emigration rate of university graduates (Lowell, 2007) can be observed. At the same time labour mobility constitutes a great subject of debate, especially within the European Union (European Commission, 2011). The heart of the discussion seems to be the focus on increasing economical growth and the usage of labour as one instrument (see European Commission, 2010a). The purpose of this study is therefore to analyse the impact of educational mobility on skilled labour mobility.

When assessing labour mobility the literature firstly focussed on wage differentials, inspired by Hicks (1942). Naturally there are more determinants to labour mobility. The most recent research assessing cross-border mobility analysed the connection between previous attendance of university-level exchange programmes. Thus, Parey and Waldinger (2010) or Osterbeek and Webbink (2009) looked in more detail into the connection of labour market mobility of former exchange students. In the framework of their research both studies found that a previous stay abroad increases substantially the likelihood of a workplacement abroad in adjacent professional.

In the context of the present research it is analysed which initiatives the European Union supports to foster labour market mobility and educational mobility. Subsequently it is assessed why greater labour mobility within the European Union could be economically desirable. Additionally it is analysed how this links to greater educational mobility. Afterward our research estimates the impact of educational mobility on the labour market mobility. For the estimation we use the Eurobarometer Data set from 2009 (Gesis, 2011a) and robust OLS and Probit regressions were employed. Lastly, policy suggestions were given based on the results from our estimations. It was found that already established results can be confirmed and extended in the current paper. Three different dependent variables within three independent models were assessed referring to individuals who have worked and lived abroad in the past, who were at the time of the survey living and working abroad (2009) and a combined model considering both attributes. It was shown that not only university studies abroad had a meaningful influence on all three dependent

variables, but also school attendance abroad as well as educational cross-border training initiatives. It was also found that individuals who have been or were at the time of the survey abroad are highly motivated by the labour market itself to become mobile, especially in the case of unemployment. At the same time the fear of not being qualified enough or finding a job abroad would discourage the survey participants from moving.

Following those results one should support initiatives increasing mobility in education since they reach far into the labour market. To support the European Unions' aim to reach greater labour market mobility and by that greater growth it will be suggested to install an agency called EDEU (Education Europe) to provide assistance for all levels of educational cross-border activities within the European Union.