

# The Balkan route: towards an assessment of the impact of migration in Serbia and Croatia

## Abstract

This article describes the flow of migrants towards the EU and seeks to provide a preliminary assessment of the impact of such flows on the economies of Croatia and Serbia, two countries on the route but not necessarily destination countries in their own right, and whose economies are themselves still fragile and in transition owing to their own recent histories. The authors provide a brief recent history of migration towards the EU before describing some of the salient features of the economies of western Balkans countries, with a particular focus on Croatia and Serbia. The western Balkans in general shows growth, but there also exist some negative social consequences in terms of low wages, skills loss through emigration, and unemployment. Aspects of the character of the flow of migrants are different in Serbia than in Croatia but, in both, the number of migrants seems – on the basis of official figures – to be declining. Consequently, the impact of migration is likely to be limited while the economies themselves demonstrate sufficient absorption capacity as a result of the changes they are undergoing.

**Keywords:** refugees, migration, EU, growth, wages, brain drain, capacity

## Introduction

In recent years there has been a growth in the flow of migration from countries that have been disrupted by political instability and the resulting internal conflicts and economic and humanitarian crises, for example over an extended period in Syria and on the continent of Africa. Frequently, this has been aided by the weak and inadequate response of the international community. Initially, migration flows were focused on the Mediterranean Sea, with the ports of north African countries being the starting points for migration flows, in particular from ports in Libya.

The number of migrants that has crossed the Mediterranean in recent years has forced Europe to review and change its political and legal approach to migration, pledging to protect the processes of European integration and the founding principles and values of the European Union while also avoiding the creation of rifts between member states.<sup>1</sup> The consequence has been that, in the last two years, the controls and European missions that have been put in place in the Mediterranean have led to a decrease in migratory flows coming from north Africa. Indeed, the number of migrants arriving in Europe across the Mediterranean in 2018 has decreased by a factor

1 Benedetti, E (2017) 'The Balkan Route of Illegal Migration and the Role of EU in Facing this Emergency: A Stimulus of a Brake for Enlargement?' in Serena Baldin and Moreno Zago (Eds.) *Europe of Migrations: Policies, Legal Issues and Experiences* pp. 49-62, Trieste.

of five compared to previous years, returning to 2014 levels. At the same time, the number of people who have lost their lives during the crossing has increased.<sup>2</sup>

The closure of the Mediterranean route did not stop migratory flows to Europe, with people moving instead to the ‘Balkan route’. The Balkan route provides for entry into Europe through Greece, Macedonia, Serbia, Croatia, Slovenia and Hungary, and has been used by approximately 850 000 people. According to a United Nations estimate on refugees reaching Germany in 2015, about 80 per cent had travelled the Balkan route, using Serbia as an entry point or even continuing their journey along the Balkans<sup>3</sup> trying to reach Hungary. At the end of 2015, Serbia, Croatia and Macedonia implemented restrictive measures for the entry of Syrian, Iraqi and Afghan refugees into their territories, stating that the creation of reception camps and facilities for refugees would go beyond the emergency of the moment and become permanent reception structures.

Nevertheless, in January 2016, approximately 46 000 people passed through the Balkan route, 280 of whom died due to the bad weather conditions that migrants, coming substantially from Syria and Afghanistan, then encountered.<sup>4</sup>

It should be kept in mind that, over the years, the type of migrants who have moved through the Balkans has changed because, to date, in accordance with and respecting international treaties, they may either be asylum seekers or migrants who may be worthy of subsidiary protection: that is, they are migrants who do not have the prerequisites to apply for refugee status but who, if returned to their country, would face serious risks, for example being sentenced to death or subjected to torture.

Among experts there are two different theories on the impact of immigration in states that welcome refugees. Some economists estimate a positive impact,<sup>5</sup> while others are convinced that greater long-term immigration has a negative impact on the economy and institutions.<sup>6</sup> In this article we try to assess, through macroeconomic data, the impact of recent migrations in Croatia and Serbia.

- 2 UNHCR (2018a) *Calo degli arrivi e aumento dei tassi di mortalità nel mar Mediterraneo: l'UNHCR chiede un rafforzamento delle operazioni di ricerca e soccorso* <https://www.unhcr.it/news/calo-degli-arrivi-aumento-dei-tassi-mortalita-nel-mar-mediterraneo-lunhcr-chiede-un-rafforzamento-delle-operazioni-ricerca-soccorso.html>; Sbarchi estivi di migranti ai minimi da tre anni. Nove grafici per capire [https://www.agi.it/cronaca/migranti\\_ong/libia\\_viminale-2046955/news/2017-08-14/](https://www.agi.it/cronaca/migranti_ong/libia_viminale-2046955/news/2017-08-14/).
- 3 Mandić, D (2017) ‘Anatomy of a refugee wave: Forced migration on the Balkan route as two processes’ *Europe Now Journal*, 5 January, available at: <http://www.europeanowjournal.org/2017/01/04/anatomy-of-a-refugee-wave-forced-migration-on-the-balkan-route-as-two-processes/>.
- 4 Caritas Italiana (2016) *Dossier: La rotta dei balcani* available at: [www.caritasambrosiana.it](http://www.caritasambrosiana.it).
- 5 Gwartney, J. R. Holcombe and R. Lawson (2006) ‘Institutions and the impact of investment on growth’ *Kyklos* 59: 255-73; Gwartney, J. R. Lawson and J. Hall (2013) *Economic freedom of the world: 2013 Annual Report* Vancouver: Fraser Institute; Clemens, M. A. (2011) ‘Economics and emigration: Trillion-dollar bills on the sidewalk?’ *Journal of Economics Perspectives* 25: 83-106.
- 6 Borjas, G. J (2015) ‘Immigration and globalization: A review essay’ *Journal of Economic Literature*.

In assessing the impact of the migratory flow on the Balkans, and in particular on Serbia and Croatia, we should observe that these are states with fragile economies. Following the collapse of Yugoslavia and the tensions that arose as a result in the Balkans, the resulting economic-political crisis ended in long and devastating international conflicts of which there are still heavy consequences. In the period between 1993 and 2001, the migratory flow in the Balkans concerned refugees of many different origins; only after the end of the conflicts and the start of the peace-building process in the area has this migratory flow stopped.

### The economic background to the western Balkans region

The post-conflict years have been characterised by the commitment of Balkan states to rebuild their economies. They have re-oriented their economies around world trade and export, and have increased the impact of the private sector. In this way, they have tried to create the bases on which a liberal market system could be built. Thanks to the intervention of foreign capital, it has been possible to launch strong and rapid economic growth that has allowed an increase in income and the improvement of people's living standards. This phase of economic growth came to a halt due to the global financial crisis following 2008, which first stopped and then blocked the growth of the entire Balkans region, although we have witnessed in recent years a reversion of the trend of unemployment, returning to touch minimum pre-crisis levels.

Foreign direct investment (FDI) has been fundamental for the consolidation of Balkans economies in that it has been successful in stimulating investment and economic growth. Such investments could have an impact on national industries and on the labour market (where highly skilled operators are required), as well as in stimulating the more substantial socio-economic growth that the entire region needs. Considering that the largest investor in the Balkan region is the European Union, it should be noted that only the stability of the region and a 'fertile' environment can attract international investors willing to invest in the Balkans.<sup>7</sup> This sort of result has only been achieved thanks to investment in financial sustainability and economic competitiveness.

Table 1 shows developments in GDP per capita since 2000 in the wider south-east European region. In 2000, only two countries (both now EU member states) exceeded \$10 000 per capita while Kosovo, Albania, and Bosnia and Herzegovina did not reach \$5 000 per capita. Hungary was the country with the highest GDP per capita in 2000, followed by Croatia, while the remaining western Balkans countries had levels of GDP per capita between one-third and one-half of these two.

Currently, Montenegro ranks third behind Hungary and Croatia, followed by FYR Macedonia and Serbia. Bosnia and Herzegovina and Albania have levels of GDP per capita roughly one-half of that of Croatia.

<sup>7</sup> Sergi, Bruno S (2003) 'FDI and the Balkans: A Regional Investment Agency and Regional Centred Economic Choices to Shape this Decade' *South-East Europe Review for Labour and Social Affairs* 6(1-2): 7-16.

All countries saw greater growth in the decade from 2000-2010 compared to the years between 2010 and 2017. The Balkan countries recorded higher growth rates than the countries of the European Union and the euro area. Even with respect to the bloc of high income economies, growth rates in the Balkan countries have been higher. Montenegro and Kosovo have seen their GDP triple in the last 17 years, while the states that have seen their GDP ‘only’ being doubled are Croatia and Hungary.

The gap between Balkans countries and the European Union is still evident, although convergence, to varying degrees, has certainly taken place.

**Table 1 – GDP per capita (PPP, current international \$)**

Country	2000	2010	2017	2000/ 2010	2010/ 2017	2000/ 2017
Albania	4 029	9 637	12 021	139%	25%	198%
Bosnia and Herzegovina	4 529	9 315	12 876	105%	38%	184%
Croatia	10 753	19 240	25 264	78%	31%	135%
Hungary	11 876	21 556	28 108	81%	30%	137%
Kosovo	3 664	7 746	10 754	111%	38%	194%
FYR Macedonia	6 126	11 285	15 231	84%	34%	149%
Montenegro	6 002	13 648	18 765	127%	37%	213%
Serbia	5 725	12 087	15 090	111%	24%	164%
Euro area	25 317	35 842	43 637	41%	21%	72%
European Union	22 572	33 260	41 126	47%	23%	82%
High income countries*	27 230	38 355	47 305	40%	23%	73%

Source: World Bank; authors’ own processing

\* High income countries are defined currently as those that, in 2017, had gross national per capita income of \$12 056 or more.

To the detriment of these excellent performances, however, we have had some negative social consequences to which we cannot remain indifferent. There is indeed a high level of unemployment and low and uncertain wages that are having a negative impact on the social protection system, in the sense of reducing employees’ rights, while we are also seeing increases in the cost of basic food products. Furthermore, the poverty line has been increased, leading to a reduction in the number of people that can access the welfare state. In addition, the international community needs to continue to support the fight against corruption with conferences, seminars, training activities and all the tools that can support and stimulate such a fight, including through support for local and international NGOs that have among their goals the drive against corruption. Further support to the region could be given by the Euro-

pean Union in terms of promoting market liberalisation and the reform of public administration; strengthening the political institutions; encouraging greater transparency and accountability; and conducting monitoring activities during design and project review phases.<sup>8</sup>

Another negative effect, and perhaps the most important, is the emigration to Europe of numerous job seekers. In the light of this, it is remarkable that wage levels in the Balkans have not increased in real terms compared to 2008 and remain far behind the European average. In the last couple of years, however, increases in the minimum wage have gained momentum both in central and in south-eastern Europe, with – as we might anticipate – a positive impact on the overall growth of wages. In fact, in the period 2012-2015 there has been an effective increase in average wages.<sup>9</sup> Even so, it can be said that the percentage of the Balkans population which is at risk of social exclusion or poverty is around 24.4 per cent.<sup>10</sup> In particular, this includes women, children, young people and the elderly, people with a low level of education and migrants.

Concerning unemployment, this has been persistently and substantially high in many of the countries of south-east Europe. However, there are also significant differences between them in the rate of unemployment, as Table 2 shows. In 2000, all the countries of the region recorded an unemployment rate of over twenty per cent with the exception of Croatia (16.1 per cent), Serbia (12.6 per cent) and Hungary (6.6 per cent). Unemployment has, however, steadily declined over the past few years, although not consistently in all countries. The poorest performer is Bosnia and Herzegovina, which reports a decrease of only 0.5 percentage point (from 26 per cent in 2000 to 25.5 per cent in 2017). Unemployment remains otherwise particularly high in Macedonia (22.4 per cent), although Montenegro has managed to halve its rate (from 32 per cent in 2000 to 16 per cent in 2017). Only Hungary has an unemployment lower than the eurozone and the bloc of high income economies (4.2 per cent, compared to 9 per cent in the eurozone and 5 per cent in high income economies).

**Table 2 – Unemployment levels (as percentage of the working age population)**

Country	2000	2010	2017
Albania	22.73	14.20	13.87
Bosnia and Herzegovina	26.07	27.20	25.56
Croatia	16.06	11.62	11.21

8 Qerimi, Qerim and Bruno S. Sergi (2007) ‘Fighting corruption and organised crime as a means of socioeconomic development in southeast Europe’ *SouthEast Europe Review for Labour and Social Affairs* 10(2): 8194.

9 *ibid.*

10 Kosanović, Rajko, Sanja Paunović and Bruno S. Sergi (2017) ‘Comparative analysis of wages in central and eastern Europe’ *SEER Journal for Labour and Social Affairs in Eastern Europe* 20(2): 159-179.

Country	2000	2010	2017
Hungary	6.56	11.17	4.16
Macedonia, FYR	32.20	32.02	22.38
Montenegro	32.06	19.68	16.07
Serbia	12.60	19.22	14.11
Euro area	9.43	10.03	9.05
European Union	9.28	9.51	7.62
High income countries*	6.80	8.22	5.68

Source: World Bank; authors' own processing

\* See Note to Table 1.

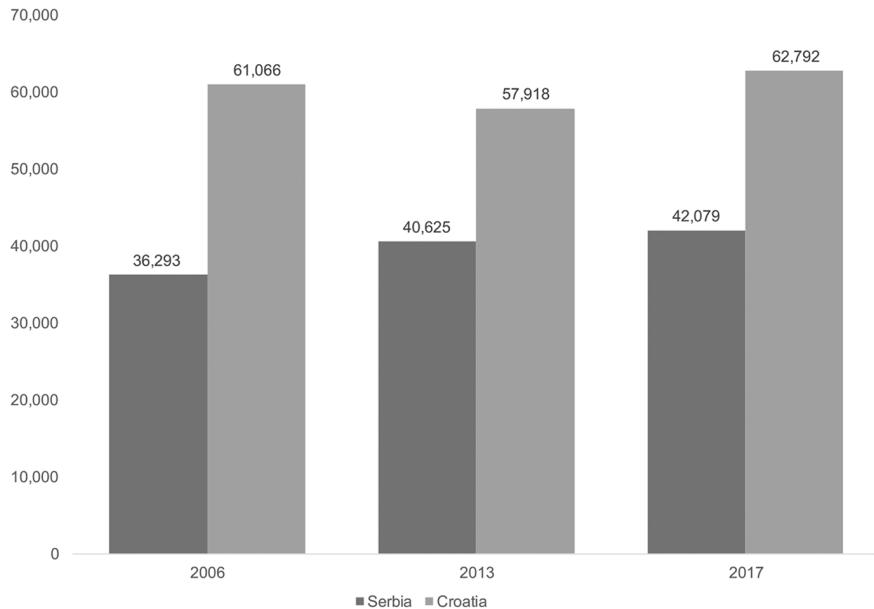
Serbia is a state whose economy is in transition. Politically, Serbia was born as an independent state in 2003, following the dissolution of the Federal Republic of Yugoslavia. In 2006, Montenegro declared independence following a referendum. Serbia can, therefore, be called a young state. Croatia is also a young state. It declared independence in 1991, following which conflict arose with Serbia and Bosnia, ending in 1995. Croatia has been a member of the European Union since 2013, ten years after first applying, although it has not joined the euro.

The economy of Croatia is stronger than that of Serbia, even though in the last ten years the latter has grown more (16 per cent compared to 3 per cent – see Figure 1). Even on a per capita basis, the GDP of Serbia has increased by twice that of Croatia in this same period (22 per cent against 11 per cent – Figure 2), although Serbia remains a country with a low standard of living. In fact, its GDP per capita is lower than \$6 000.

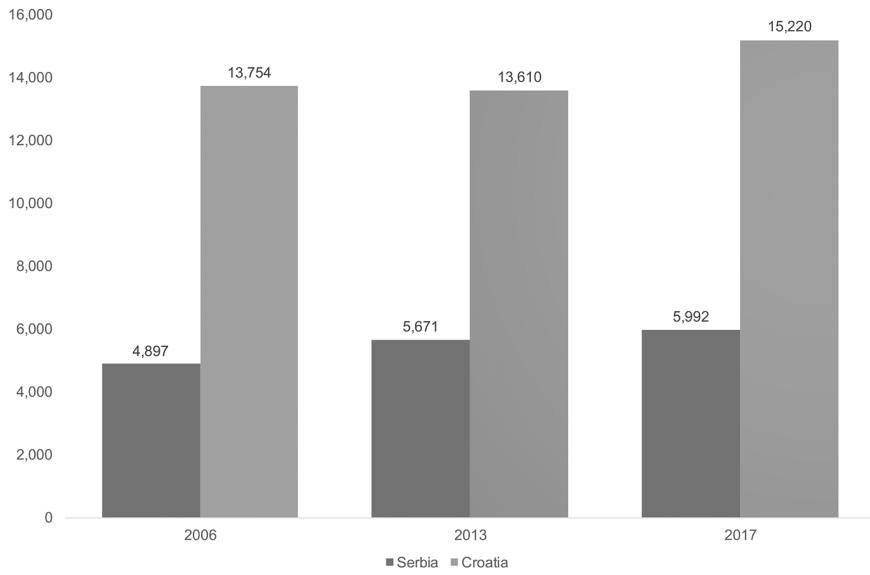
The big difference between GDP and the standard of living is that Serbia has three million more inhabitants than Croatia, even if both states have recorded a slight demographic decrease between 2006 and today – a drop of 5.25 per cent in the Serbian case and 7.1 per cent in the Croatian (Figure 3).

The data for unemployment (Figure 4) shows a significant decrease for Serbia over the period (of nearly seven percentage points), all of which has come in the most recent part of the period; while the 2017 level is similar to that of 2006 in Croatia (with a big rise in the middle).

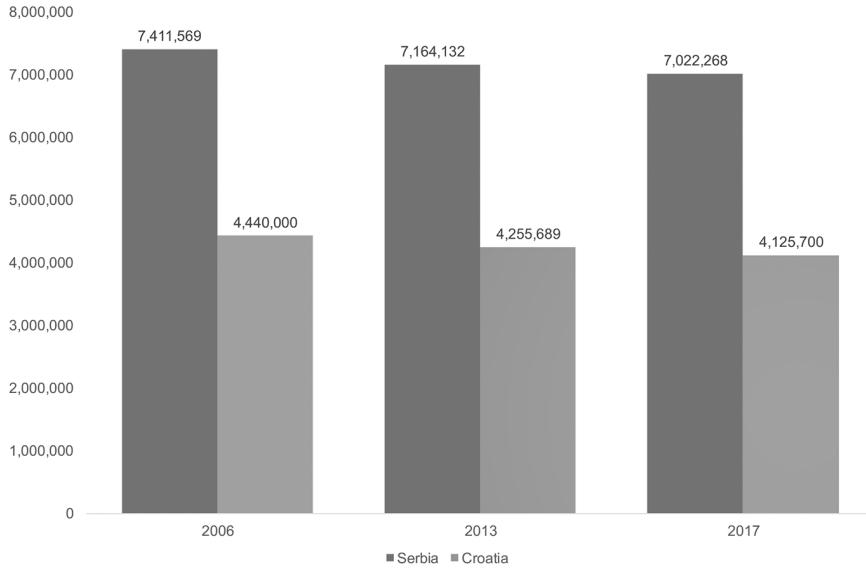
**Figure 1 – GDP (constant 2010 US\$ million)**



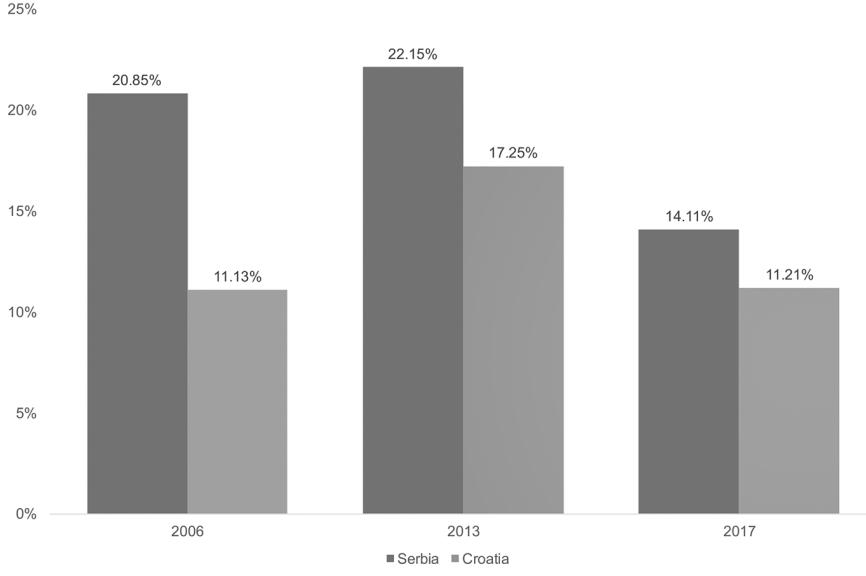
**Figure 2 – GDP per capita (constant 2010 US\$)**



**Figure 3 – Population**



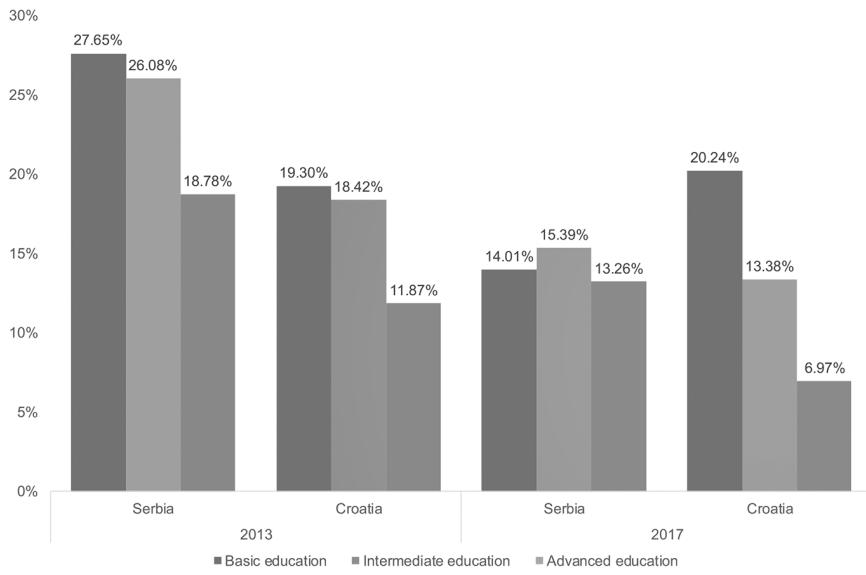
**Figure 4 – Unemployment (total)**



Source for Figures 1-4: World Bank; authors' own processing

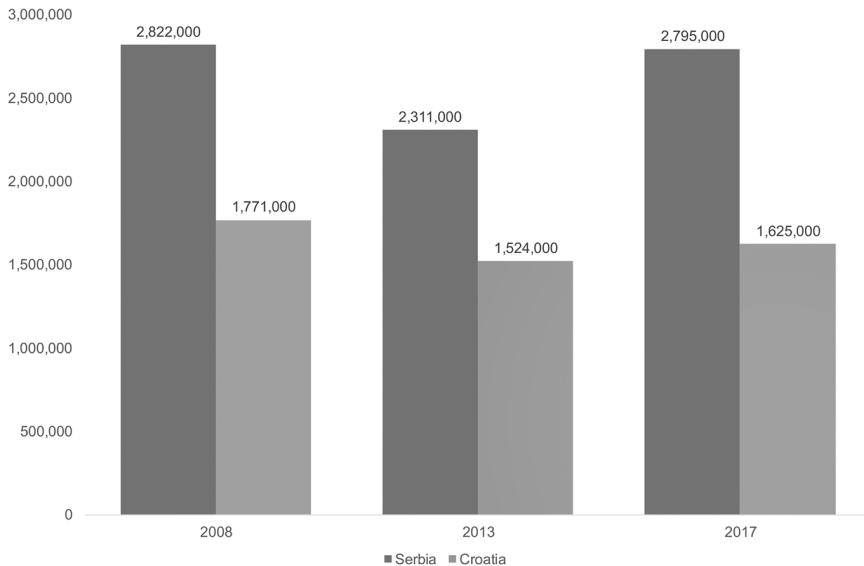
In analysing the amount of unemployment based on the level of education (Figure 5), there are different trends taking place between the two countries: in Serbia, the figure is currently fairly constant (around 14 per cent), although this was not the case in 2013, suggesting a relative loss to those with advanced levels of education. However, there remains a considerable difference in Croatia. If the rate of unemployment amongst those with basic education in Croatia is c. 20 per cent, the rate falls to 7 per cent where the level of education is advanced. Moreover, since entry into the European Union by Croatia, unemployment for those in possession of basic education has even risen slightly while among those with intermediate and advanced levels of education it has fallen (in each case) by about five percentage points. This indicates that the Croatian economy is evolving towards more advanced economic sectors.

**Figure 5 – Unemployment by level of education (%)**



Croatia has lost more workers than Serbia since 2008, both in absolute terms and in percentage terms (Figure 6). In fact, Serbia has suffered a contraction of just 27 000 workers in this time (-0.96 per cent) while Croatia has lost 146 000 (-8.24 per cent). These trends are unrelated to the population trends that we have also seen: in this same period, Serbia has recorded a decrease of 4.46 per cent in the population while Croatia has seen its population decline by around 7 per cent. The trends between the two countries are therefore proceeding in opposite directions.

**Figure 6 – Employment**

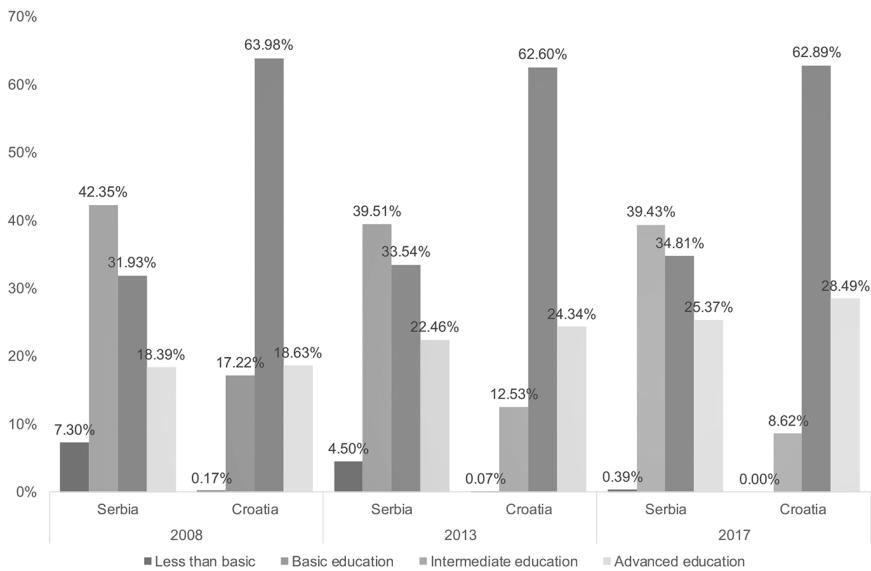


Source for Figures 5 and 6: ILO; authors' own processing

Analysing the evolution of employment according to level of education, we can see that, in both economies, the lowest-skilled workers have disappeared (Figure 7). This is not only the result of higher levels of education but also of a profound change in economic structure. In fact, in both countries there are increases in highly-skilled workers. In both countries they represented 18 per cent of the employed workforce in 2008; today, however, they represent 25 per cent for Serbia and 28 per cent for Croatia.

The opposite trend between the two countries is registered for workers with an intermediate education. There is a slight decrease for Croatia (almost one percentage point less in 2017 compared to 2008), while there is a three per cent increase for Serbia. This figure is in line with the general trends in the two countries. If both countries are undergoing a structural change in their economies, it is also true that Serbia is at a disadvantage compared to Croatia. It will therefore need more time to transform its socio-economic structures towards having the required higher skills standards.

**Figure 7 – Employment by education level**



Source: ILO; authors' own processing

### The effects of the 2015/16 refugee wave on the countries of the western Balkans

Serbia has been negatively affected by the new Hungarian immigration regulations which provide for the rejection of any ‘irregular’ migrant on its territory. Despite this, attempts to cross the border to get into Hungary have not stopped. According to data provided by the Hungarian Helsinki Committee in 2017, some 9 284 migrants were stopped at the border, of whom 7 729 were cases of rejection at the southern border, i.e. with Serbia, while 1 507 migrants were arrested as ‘irregular’. It must be remembered that, in 2008, an agreement was signed between the European Union and Serbia for the re-admission of ‘irregular’ migrants present on Hungarian territory, with this being implemented the following year under a protocol signed between Hungary and Serbia. In any case, mass rejections or the collective expulsions of people are forbidden by special treaties and agreements.

According to UNHCR data, more than 4 000 migrants have been stopped in Serbia, of whom 46 per cent are minors (data from Save The Children). Furthermore, unaccompanied minors from countries at war are also numerous.

In support of Serbia, the European Union allocated some €25m to spend on humanitarian aid projects while a further €80m of aid was allocated to Serbia by the European Commission and Member States in 2015 alone. This sum is intended for assistance and for the management of this flow of migrants.

Serbia's role in the Balkan route is mainly as a transit country since migrants are not interested in stopping; their final destination remains the countries of northern Europe.

Following the new law on asylum and temporary protection issued by Serbia in early 2018, the number of asylum-seeking migrants in Serbia has increased, reaching some 2 803 migrants. Of these, almost 90 per cent live in government centres, while the remaining 10 per cent are in Belgrade or in camps near the border with Croatia or Hungary.<sup>11</sup>

Croatia has had to deal with the migratory flows coming from the south-east of the Balkans only since 2015. In fact, it is because of the 'wall' built on the border between Serbia and Hungary that the flow of migrants has moved to arrive in Germany via Croatia, Slovenia and Austria in an effective modification of the 'Balkan route'. This meant that migrants moved from Serbia to Croatia and, consequently, the human traffic increased, albeit with significantly lower numbers.

Many of the expulsions from Croatia in 2017 took place without migrants being able to apply for asylum. Until then, Croatia had never faced large migratory flows; on the contrary, it was considered a country of emigration, a trend that saw an endpoint following the entry of Croatia into the European Union. In fact, Croatia has become an attraction for foreigners; so much so that, in 2014 alone, about 10 000 people decided to transfer their residence into Croatia, mainly from neighbouring countries. In this case, we could not speak of immigrants since most of the migrants returning to Croatia came from Bosnia and Herzegovina and were already in possession of Croatian citizenship.<sup>12</sup> A few months later, however, and Croatia was also starting to return non-Syrian migrants to Serbia. In March 2016, with the closure of the Balkan route and the agreement between the European Union and Turkey, the flow of migrants right through Croatia ceased. In total, this migration flow was some 658 068 people.

During this period of the greatest immigration in Croatia, and highlighting how Croatia is considered by migrants as a transit country to elsewhere in the European Union, only a small number of migrants wanted to present asylum applications in Croatia itself. If we consider the current geopolitical picture that characterises Europe currently, however, we could hazard the hypothesis that Croatia can hardly remain a transit country but would turn into a 'destination' country.<sup>13</sup> Furthermore, among the many economic challenges that Croatia faces are the consolidation of macroeconomic stability, the increase in exports linked to productivity gains and the increase in jobs, all of which could, in their own right, contribute to making Croatia no longer a transit country but one of destination, attracting migratory flows that 'could' destabilise a precarious economic-social balance.

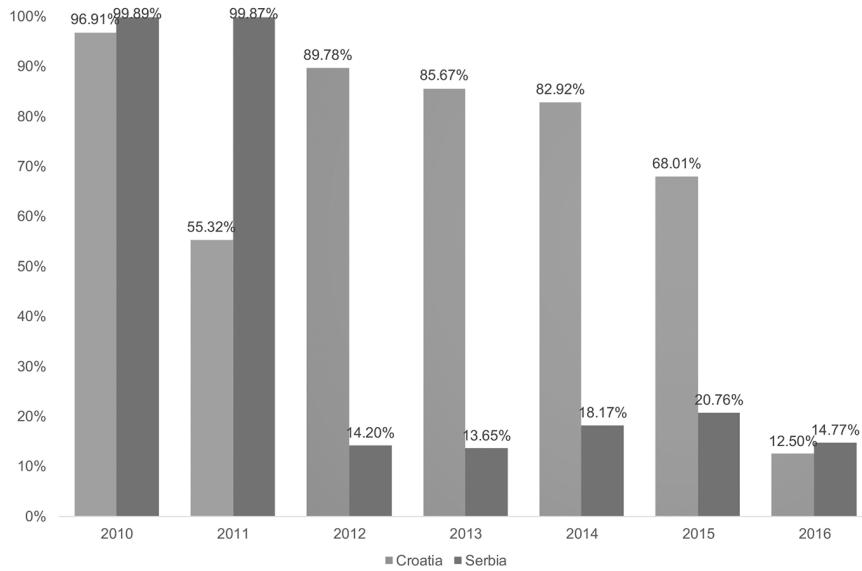
11 UNHCR (2018b) *Report on Serbia* available at: <https://data2.unhcr.org/en/documents/download/64378>.

12 Knezović, S and M. Grošinić (2017) *Migration trends in Croatia* Zagreb, pp. 16-17.

13 *ibid.*

The patterns of migration are not similar between Serbia and Croatia (Figure 8). Excluding 2016, refugees<sup>14</sup> in Croatia came substantially from countries in the Balkan area whereas a different situation is recorded in Serbia where, since 2012, refugees arriving from countries outside the Balkans have been the majority.

**Figure 8 – Percentage of total refugees coming from the Balkans**

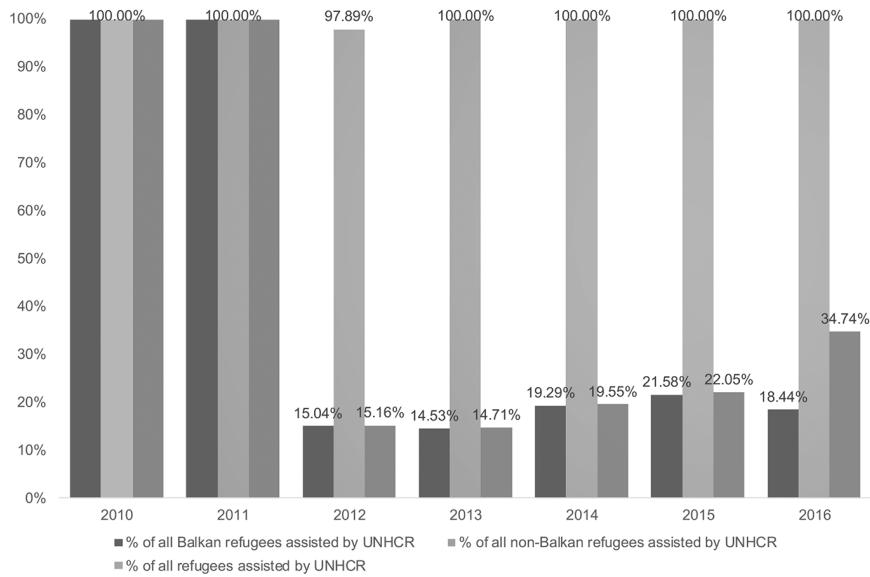


Source: UNHCR; author's own processing

It should be noted that 100 per cent of Balkan refugees in Croatia enjoy UNHCR protection whereas, for Serbia, this figure is around 20 per cent (or lower). As for extra-Balkan refugees, broadly a much lower number, UNHCR assists 100 per cent of them in both countries, with the exception of 2012 in Serbia where this figure fell back to 90%.

14 We encompass by the term 'migrant' all 'Persons recognised as refugees under the 1951 UN Convention/1967 Protocol, the 1969 OAU Convention, in accordance with the UNHCR Statute'. Those granted a complementary form of protection, those granted temporary protection and people in refugee-like situations represent terms which are descriptive in nature and which includes groups of people who are outside their country or territory of origin and who face protection risks similar to those of refugees, but for whom refugee status has, for practical or other reasons, not been ascertained.

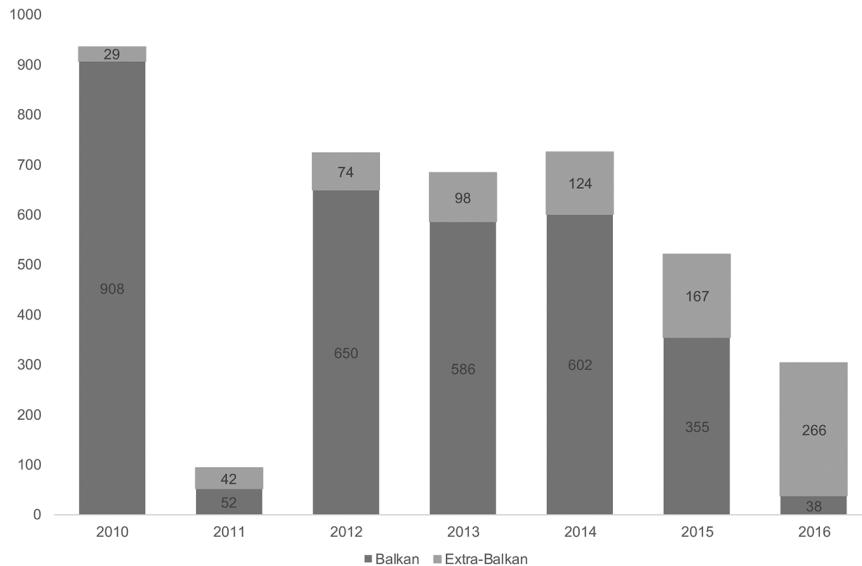
**Figure 9 – Percentage of refugees assisted by UNHCR**



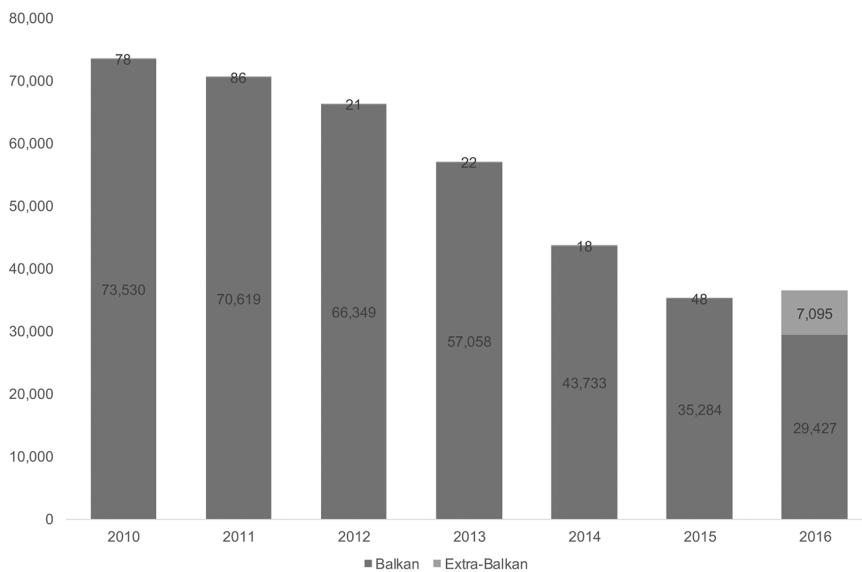
Source: UNHCR; authors' own processing

Another element of difference between the two countries is the number of refugees, wherein this number is around up to hundred times larger in Serbia (Figure 11) than in Croatia (Figure 10):

**Figure 10 – Refugees in Croatia**



**Figure 11 – Refugees in Serbia**



Source for Figures 10 and 11: UNHCR; authors' own processing

The trend in the number of refugees in Serbia has been continually on the decrease, at least as far as the most current figures. The data show that, between 2010 and 2016, the number of refugees coming from the Balkan countries has decreased quite sharply, to the point where it is now just 40% of its level at the start of the period. Only in the last year has the number of refugees in Serbia from non-Balkan countries become relatively significant.

The trend in the number of refugees in Croatia is less linear than in Serbia although it also describes an overall decrease. Within this trend, however, we can see that, while the number of refugees coming from outside the Balkans is on the increase, the number coming from within the Balkans has fallen away almost to nothing. At the same time, we should again note – as we have previously remarked – that the overall numbers are relatively low.

## Conclusion

According to some, the flows of migrants with their hearts set on entering the European Union are putting a strain not only on the seal of the EU but also on the economies of the states bordering it. The closure of the Mediterranean route has seen the development of a Balkans route in its place. If this was a secondary route until a couple of years ago, today it has become the primary route. Several responses have been put forward by the European Union and some member countries, ranging from the economic aid given to Turkey to maintain refugee camps on its territory to the barbed-wire wall placed by Hungary on its external borders.

In our study, we decided to analyse the situation in Serbia and Croatia. The choice was not a random one. Croatia is the first real point of arrival for migrants trying to get to central Europe, with Bulgaria and Greece being seen as physically distant from the ‘European dream’ and thus as transit rather than destination countries. On the other hand, Hungary, having vigorously closed its borders, no longer has to deal with migrants. Our second choice of Serbia is rational since it is the non-EU country in which most migrants stop while awaiting their arrival in the EU.

First of all, it is necessary to distinguish registered migrants from those who are not recorded; that is, those who escape the statistics and for whom only estimates can be made. In this article, after a general analysis that includes data based on estimates, we have chosen to use official UNHCR data. It is clear from this how refugees from war zones or people who are economically poor are a minority compared to movements among citizens from Balkan states. It is likely that many economic migrants choose not to be registered by the UNHCR because they do not want to take refuge in refugee status practices in these countries but prefer to do so in Germany or elsewhere in northern Europe. Furthermore, it is likely that the choice of people coming from other Balkan countries to be recognised as refugees in Serbia or Croatia derives from a cultural affinity between the states of departure and of arrival.

Our economic analysis of Serbia and Croatia showed two countries in a period of substantial economic growth. The economies are rapidly changing and able to absorb more skilled labour than in previous years. The general level of per capita wealth has also grown steadily. The general trends show that Croatia’s entry into the EU has not

given the economy a greater boost than experienced in the same period by other Balkan countries.

The current flow of migrants has not had a significant impact on the economies of either Croatia or Serbia. The causes of this lack of impact are different. Above all, the most pitiable refugees are able to access the help of the UNHCR and, in this way, states do not drain economic resources into establishing hosting projects. On the other hand, those who do obtain the help of the UNHCR will rarely perform shadow economy jobs with an impact on the local economy. As for undocumented migrants, they will seek as little support as possible in these countries, which are seen only as a point of transit. Their economic impact will, therefore, be minimal.

We can therefore say that, beyond the social impact, the flow of migrants to date has not affected the economies of Croatia and Serbia.

## **References**

Ammirate, A and I Sommaruga (2018) *'The game': il ruolo della Serbia come paese di transito* 18 April, available online at: <http://openmigration.org>.

Benedetti, E (2017) 'The Balkan Route of Illegal Migration and the Role of EU in Facing this Emergency: A Stimulus of a Brake for Enlargement?' in Serena Baldin and Moreno Zago (Eds.) *Europe of Migrations: Policies, Legal Issues and Experiences* pp. 49-62, Trieste.

Borjas, G. J (2015) 'Immigration and globalization: A review essay' *Journal of Economic Literature*.

Caritas Italiana (2016) *Dossier: La rotta dei balcani* available at: [www.caritasambrosiana.it](http://www.caritasambrosiana.it).

Clemens, M. A (2011) 'Economics and emigration: Trillion-dollar bills on the sidewalk?' *Journal of Economic Perspectives* 25: 83-106.

Gwartney, J. R. Holcombe and R. Lawson (2006) 'Institutions and the impact of investment on growth' *Kyklos* 59: 255-73.

Gwartney, J. R. Lawson and J. Hall (2013) *Economic freedom of the world: 2013 Annual Report* Vancouver: Fraser Institute.

Kosanović, Rajko, Sanja Paunović and Bruno S. Sergi (2017) 'Comparative analysis of wages in central and eastern Europe' *SEER Journal for Labour and Social Affairs in Eastern Europe* 20(2): 159-179.

Knezović, S and M. Grošinić (2017) *Migration trends in Croatia* Zagreb, pp. 16-17.

Mandić, D (2017) 'Anatomy of a refugee wave: Forced migration on the Balkan route as two processes' *Europe Now Journal*, 5 January, available at: <http://www.europenowjournal.org/2017/01/04/anatomy-of-a-refugee-wave-forced-migration-on-the-balkan-route-as-two-processes/>.

Qerimi, Qerim and Bruno S. Sergi (2007) 'Fighting corruption and organised crime as a means of socioeconomic development in southeast Europe' *SouthEast Europe Review for Labour and Social Affairs* 10(2): 8194.

Sbarchi estivi di migranti ai minimi da tre anni. Nove grafici per capire [https://www.agi.it/cronaca/migranti\\_ong\\_libia\\_viminale-2046955/news/2017-08-14/](https://www.agi.it/cronaca/migranti_ong_libia_viminale-2046955/news/2017-08-14/).

Sergi, Bruno S (2003) 'FDI and the Balkans: A Regional Investment Agency and Regional Centred Economic Choices to Shape this Decade' *South-East Europe Review for Labour and Social Affairs* 6(1-2): 7-16.

Sergi, Bruno S (2003) *Economic Dynamics in Transitional Economies: The Four-P Governments, EU Enlargement and the Bruxelles Consensus* New York: International Business Press.

Sergi, Bruno S and Giacomo Morabito (2016) 'Migration and Remittances: The Rise and Fall of Albania and Kosovo' *SEER Journal for Labour and Social Affairs in Eastern Europe* 19(1): 55-66.

Sergi, Bruno S and Qerim Qerimi (2008) *The Political Economy of Southeast Europe from 1990 to the Present: Challenges and Opportunities* New York: Continuum.

UNHCR (2018a) *Calo degli arrivi e aumento dei tassi di mortalità nel mar Mediterraneo: l'UNHCR chiede un rafforzamento delle operazioni di ricerca e soccorso* <https://www.unhcr.it/news/calo-degli-arrivi-aumento-dei-tassi-mortalita-nel-mar-mediterraneo-lunhcr-chiede-un-rafforzamento-delle-operazioni-ricerca-soccorso.html>.

UNHCR (2018b) *Report on Serbia* available at: <https://data2.unhcr.org/en/documents/download/64378>.