EMISSION FROM PORTUGAL
OLD WINE IN NEW BOTTLES?

By David Justino
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Executive Summary

Portugal’s last seven years have been its most economically turbulent period in recent history. In 2011, in return for a bailout to address the sovereign debt crisis, the government imposed an austerity program that contributed to an exceptionally deep two-year recession. This austerity program was poorly received by the Portuguese public, which holds the international monetary authorities responsible for a large rise in emigration—and by extension, the loss of skilled youth. While emigration has clearly increased, Portugal’s image as the poster child for post-crisis emigration may be misplaced. In fact, Portugal has a long and rich migration history that has seen circular mobility and frequent reversals in its role as a “sending” and “receiving” country—thus, today’s outflow may simply be a case of “old wine in new bottles.” Moreover, contrary to public perception, much of the recent emigration predated the economic crisis, and has been largely low-skilled.

Portuguese emigration history began with Brazil’s colonization in the 1500s, when people began emigrating to what was considered the “land of opportunities,” as well as on a smaller scale to other colonies around the globe. Even after the independence of Brazil in 1822, Portuguese emigration continued, with the increasing flows interrupted only by two world wars. The 1950-80 period saw significant emigration to Europe (especially France and, to a lesser extent, Germany). Since 1980 Portugal has been a country of mixed immigration and emigration. While emigration continued during this time, an increase in inflows meant that the country received a net migration surplus. Since 2000, immigration has been falling and emigration rising, and between 2011 and 2014 more people left than entered—for the first time in two decades. Emigration increased from 20,000 in 2000 to approximately 110,000 in 2013. The main destinations include Belgium, Brazil, Germany, Luxembourg, the Netherlands, Spain, Switzerland, and the United Kingdom.

While emigration has clearly increased, Portugal’s image as the poster child for post-crisis emigration may be misplaced.

As with prior waves, recent emigration has been largely characterized by low-skilled workers seeking better job opportunities and living conditions. More than two-thirds of Portuguese workers living in the top 11 Organization for Economic Cooperation and Development (OECD) destinations in 2010 were low skilled, though a declining share from the close to 90 percent recorded in 1980. The main increase in high-skilled immigration has been to the United States, Canada, France, and Spain (Germany and the United Kingdom still attract predominantly low-skilled workers). While high-skilled emigration is on the rise, this is not solely a post-crisis phenomenon, but a trend that has grown over several decades parallel to globalization and greater European integration.

The profile of Portuguese immigrants in major destinations differs substantially:

- **Spain.** Spain’s economic boom in the early 2000s attracted a large number of Portuguese workers to sectors such as construction, services, agriculture, and manufacturing; some commuted across the border on a weekly or monthly basis. After 2008, many low-skilled workers left—possibly moving to alternate destinations—but high-skilled workers were less affected.

- **United Kingdom.** The United Kingdom has become the top destination for Portuguese emigrants: Portuguese residents increased from 96,000 in 2009 to 138,000 in 2013. The Portuguese population in London is the lowest educated of all national groups, and is over-represented in the

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distribution, hotel, and restaurant sectors. As with previous cohorts, recent arrivals have been largely low skilled.

- **Switzerland.** The Portuguese population is the third-largest immigrant group in Switzerland, which has been a major destination since the early 2000s, reaching record arrivals of 20,039 in 2013. Much of this mobility has been seasonal and circular, taking in temporary deployments to neighboring Germany; it has helped some workers progress in their occupations—despite relatively low education levels.

- **Germany.** Although movements of young engineers and scientists make headlines both in Germany and Portugal, the bulk of new arrivals to Germany continue to be from Eastern Europe. Moreover, most Portuguese arrivals to Germany remain low skilled.

- **France.** The Portuguese population in France is longstanding and sizeable (half a million hold Portuguese nationality). France remains the largest sending country for remittances to Portugal, and receives a large share of high-skilled workers (33,000 in 2010, almost as many as the United States with 35,000).

- **Brazil.** Brazil and other former colonies have attracted not only Portuguese migrants but also Portuguese companies. After the economic downturn, many Portuguese companies in sectors such as construction moved to these emerging economies as a survival strategy, alongside middle- and high-skilled workers and entrepreneurs.

**Few policies exist to draw on the resources of the Portuguese diaspora or encourage Portuguese workers to return.**

Portugal—like other southern European countries on Europe's periphery—is facing a demographic time bomb. As is well known, Europe is on the cusp of a significant aging problem, with the population over age 60 set to rise to almost 34 percent of the continent's population by 2050. But Europe's aging is uneven, especially if the flexible labor markets of central European countries continue to exert a pull on workers from the periphery. In this scenario, Portugal will need to attract more immigrants.

Despite this, few policies exist to draw on the resources of the Portuguese diaspora or encourage Portuguese workers to return; the Secretary of State for Portuguese Communities Abroad has a limited consular remit. Instead, the Portuguese government has taken the view—implicitly, if not explicitly—that emigration is best addressed by tackling the root causes; in other words, reforming the labor market and attracting foreign talent and investment. The government recently announced renewed efforts to attract international students (especially from former colonies), bring in new young scientists, and encourage Portuguese entrepreneurs abroad to invest in Portugal.

To encourage foreign investment and talent and reduce the incentives to emigrate, the government could consider investing in technology (and tech skills) to attract foreign investment, reforming the labor market to reduce the existing dualism between protected national workers and foreign workers in precarious jobs, and “internationalizing” scientific research (e.g. by connecting research funding to international collaboration) to reduce the incentive for scientists to leave. Ultimately, however, only economic growth will create opportunities for the next generation of workers to provide an alternative to emigration, encourage emigrants to return, and attract new workers.

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I. Introduction

Portugal’s last seven years have been the country’s most traumatic in recent history. In 2011, while still dealing with the aftereffects of the 2008 financial crisis, Portugal fell into a sovereign-debt disaster. Following interventions from the international monetary authorities and after imposing a program of austerity, Portugal entered an unexpectedly deep recession, which lasted until 2013. This recession revealed longstanding structural economic and social problems, including an economy overly focused on the domestic market and service sectors; large income and asset inequalities; and—despite growth of the education system outputs—a state-dependent middle class. The strong presence of the state supports the distribution function of public benefits at the bottom of the social system and the oligarchic alliances on the top between cartelized political power by the government parties and the financial/nontransactional sector of the economy.

Since emigration accompanied a sharp drop in births, it has boosted the issue of population decline and aging to the top of the agenda.

The labor market is highly segmented, with some sectors protected by labor laws and few workers able to move from the precarious, low-paid side of the labor market to the protected side. Moreover, wage inequality is among the highest in Europe. These structural features of the Portuguese labor market underpinned the exceptional increase in unemployment, particularly among young skilled, and older unskilled, workers. From an unemployment rate of 3.9 percent at the turn of the 21st century, a historical low, joblessness rose to 16.2 percent in 2013, a historical high. Job shedding in the 2008 to 2013 period also reached the highest levels on record. One of the most visible effects of these economic shifts was the return of large emigration flows, mainly to Europe, but also—albeit on a smaller scale—to Portugal’s former colonies of Angola and Brazil.

Large-scale emigration from Portugal is nothing new; the Portuguese traditionally emigrated as a means to improve their quality of life or escape authoritarianism and colonial wars. But its rapid resurgence confounded the recent perception of Portugal as a “modern” country of immigration. And since emigration accompanied a sharp drop in births, it has boosted the issue of population decline and aging to the top of the agenda.

II. Emigration from Portugal: Scale, Drivers, Impact

Emigration from Portugal has escalated in recent years. According to the Instituto Nacional de Estatística (Statistics Portugal), emigration rates increased from around 20,000 per year at the turn of the millennium to 110,000 in 2013. Although the emigration of qualified young people has attracted the most media

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3 Mário Centeno, O Trabalho, Uma Visão de Mercado (Lisboa: Fundação Francisco Manuel dos Santos, 2013).
5 Emigration from Portugal was traditionally a mechanism to escape authoritarianism and colonial wars during the regimes of António de Oliveira Salazar (Prime Minister from 1932 to 1968) and Marcelo Caetano (Prime Minister from 1968 to 1974).
attention, the return of a significant portion of immigrants, mainly Brazilian and Eastern European citizens who entered the Portuguese labor market in the 1990s, also made an impact. Yet according to Eurostat, the bulk of emigrants were Portuguese citizens, either Portuguese born or naturalized.⁷

A. Assessing the Scale of Portuguese Emigration

Establishing a reliable picture of emigration from Portugal is somewhat difficult. Data from different sources on Portuguese emigration vary widely, particularly when comparing national sources (e.g. Statistics Portugal) with international organizations (e.g. the Organization for Economic Cooperation and Development [OECD] and Eurostat) (see Figure 1). Moreover, official statistics are unavailable for the years 2004 to 2010, both for total and temporary emigrants.

Figure 1. Emigration from Portugal, 2000-13

![Graph showing emigration from Portugal, 2000-13](image)

Note: Official Portuguese statistics are unavailable for 2004 to 2010, both for total and temporary emigrants.


This discrepancy is most evident when comparing outflows from Portugal with inflows to major destinations, especially in the years preceding and following the 2008 global economic crisis. According to Eurostat data, average departures to these major destination countries between 2000 and 2006 totaled close to 10,000 emigrants per year. However, OECD migration inflows, registered in destination countries, reached an average of 36,000 (see Figure 2).

While the political and media discourse frequently attributes the resurgence of Portuguese emigration to the economic crisis and recent austerity policies, precrisis emigration flows were already extremely high. Destinations such as Spain and Switzerland, after a period of economic growth in the early 2000s, recorded peaks of Portuguese entries in 2007 and 2008; Spain, however, became a much less popular

destination after the onset of the global financial crisis. In other cases, such as Germany and Luxembourg—as well as the United Kingdom, which is not represented in Figure 2 because of lack of comparable data—2010 marked a turning point after which emigration rose.

**Figure 2. Inflows of Portuguese Immigrants Registered in Selected Countries (thousands), 2000-11**

![Graph showing inflows of Portuguese immigrants in selected countries from 2000 to 2011.](image)


### B. Drivers of Emigration

Increasing unemployment is one of the central drivers of Portuguese emigration. Unemployment rates have risen rapidly (see Table 1), and are spread across different age groups and educational levels. Unemployment is especially high among those under age 25 and those with lower levels of education.

The absence of opportunities and elimination of jobs created a context favorable to emigration, especially among the less-protected sectors of the labor market. The decline of the construction and public-infrastructure sectors affected the less-skilled population, while the decline of services, both public and private, hit the younger and higher-skilled population hardest.
In Portugal, as elsewhere, people migrate for a mix of employment opportunities (as reflected in unemployment rates and wage differentials), and individual factors such as expectations and dispositions to emigrate, family constraints, ties, and social networks. These drivers are reinforced, in the Portuguese context, by positive attitudes toward mobility and opportunities abroad and experiences of mobility (either personal or family members and friends). Economic migration theories tend to highlight employment opportunities as the key factors influencing labor migration. However, despite the differences in minimum and medium wages and the increasing gap between countries of origin and main countries of destination, some authors recognize the role of expectations and dispositions to emigrate, family constraints, and the positive effects of social networks.

The Portuguese case confirms the main economic theories, but unemployment and wage differentials are leveraged by social representations of mobility and positive expectations of accessing opportunities abroad. Three indicators help us to understand this issue. First, when asked in 2007 about the most positive result of European integration, the majority of Portuguese citizens (63 percent) identified the...


10 DG Employment, Employment and Social Developments in Europe 2012; Bonin et al., Geographic Mobility in the European Union; Brandolini, Rosalia, and Torrini, “The Distribution of Employees’ Labour Earnings.”

free circulation of people, goods, and services. Three years later, in 2010, 42 percent of those surveyed agreed with the statement that “opportunities to find work are better abroad than at home.”

These attitudes vary by social group. Youth and the more educated are more likely to say that the chance of finding a job abroad is better, while older and less-educated people tend to be less optimistic. These attitudes predate the crisis, but the recession has widened opportunity differentials, thus reinforcing pre-existing propensities to migrate. Family and other social ties with Portuguese residents abroad also reduce the risk of an unsuccessful experience, while the Portuguese diaspora in European and Portuguese-speaking countries provides social support and networks for new arrivals or returning migrants.

The recession has widened opportunity differentials, thus reinforcing pre-existing propensities to migrate.

Despite these varied drivers, in the last few years the media and opposition parties have attributed the rise in emigration almost exclusively to austerity policies. As a requirement of the 78 billion-euro bailout in 2011, Portugal was forced by the European Central Bank, European Commission, and International Monetary Fund to implement a drastic program of austerity affecting public services, employment, wages, pensions, and social rights.

C. The Impact of Emigration

Emigration is contributing to a number of important demographic, economic, and social effects. But there is often a gap between the public perception of these impacts and the reality.

First, emigration has led to significant population change (see Figure 3). In the 1990s, immigration was the main driver of population growth. However, since 2001 the trend has been reversed and both natural growth and net migration have been negative since the onset of the recession. Latest data announced what could be a reversal of the demographic cycle in line with the economic recovery.

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Portugal’s aging population is thought to threaten the long-term sustainability of the pension, public-health, and social-protection systems. As a result, a common public perception is that one of the key achievements of the democratic regime—the welfare state—is under threat due to the crisis and the austerity policies imposed by international lenders.

These demographic trends have also exacerbated the current economic situation. The combination of fewer births, fewer jobs, historic unemployment levels, and a significant increase in people of retirement age has driven a retreat of gross domestic product (GDP) to 2001 levels. Moreover, gross external debt reached 226.6 percent of GDP in 2013. Thus the crisis is no longer merely limited to sovereign debt but about broader indebtedness and economic growth.\(^\text{14}\) Finally, economic decline and associated emigration have deeply affected the sense of Portuguese identity. Two decades ago Portugal was seen as an attractive economy for foreign labor, with a remarkable capacity to absorb and integrate labor migrants.\(^\text{15}\) By 2010, Portugal’s economy could not guarantee a decent standard of living to either immigrants or its own citizens. As a result, the Portuguese public has begun to see the past several years as a reversal of the progress made in previous decades and a return to the mass emigration of the 1960s.


In the media, images that capture and reinforce this sense of loss include the departure of groups of nurses to the United Kingdom, the emigration of engineers to Germany, and tales of young scientists forced to seek opportunities abroad. The concept of “brain drain” has begun to leave academic and policy discourse and enter the public vernacular, alongside concerns about the loss of the most skilled generation ever in Portugal.

Rigorous evidence is lacking on the true extent of these movements. While highly skilled emigration was a feature of previous decades (between 1990 and 2000 the percentage of highly skilled Portuguese citizens living abroad increased from 16 percent to 19.5 percent, the highest values in the European Union, according to the OECD and World Bank),16 emigration has continued across the skills spectrum (as discussed below). Moreover, the expansion of higher education increased the supply of graduates in recent years. It is therefore unsurprising that job shedding from sectors in crisis, such as construction, caused high unemployment among engineers and architects.

III. From Emigrants to Immigrants

A proper understanding of the dynamics of the current phase of emigration requires situating it in Portugal’s broader emigration history. Historically, Portuguese intellectual elites associated emigration with economic and social decline. In the late 19th century, Anselmo de Andrade, the last Minister of Finance of the constitutional monarchy, described emigration as the “sad and unique situation of having a surplus of land with no one to cultivate [the South] it, and a surplus of workers who cannot find work in their homeland [the North], and are therefore compelled to emigrate.”17

In the 19th century, resource scarcity drove Portuguese nationals to move abroad to seek their fortune. The former Portuguese colony of Brazil was the main destination for Portuguese emigrants attracted by the image of “a land of opportunities.” The Brasileiros, former emigrants who returned wealthy and socially “respectable,” reinforced this perception. Emigration from Portugal can be divided into three main phases:

1. The Transatlantic Phase. Portuguese emigration during the 19th century, particularly after the independence of Brazil (1822), continued the processes of colonization from the imperial era. Emigration to former colonies increased until the eve of World War I and continued—albeit on a downward trend in the difficult intrawar period—until after World War II. Although the main destination was Brazil, other countries in Latin and North America also received significant flows of Portuguese emigrants. This first cycle of Portuguese emigration involved more than 2 million Portuguese from the poorest regions of the country’s north.18

2. The European Phase. The second cycle began in the 1950s and ended by mid-1980. The major destinations were France, where the majority of Portuguese emigrated, and, to a lesser extent, Germany. After rapidly increasing, emigration levels stabilized in 1970, and then began to tail off. This 30-year period, with two-thirds of the migrants making their way to Europe,19 saw as much emigration as the earlier transatlantic phase, which lasted for more than 100 years.

3. The Mixed Immigration and Emigration Phase. The third and final cycle started in the

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17 Anselmo Andrade, A Terra, ed. Manuel Gomes (Lisboa: Matos, Moreira & Pinheiro, 1898), 256.
19 Maria Ioannis Baganha, “As correntes emigratórias portuguesas no século XX e o seu impacto na economia nacional,” Análise Social 29, no. 128 (1994): 975.
mid-1980s and continues to the present day. The distinguishing feature of this period is the combination of emigration and immigration. Net migration, after a low point in the mid-1980s, increased yearly until it peaked in 2000. Portugal has had negative net migration since 2011.

Many of today’s drivers of Portuguese emigration were present in the previous cycles. Emigration is still driven largely by economic reasons and to the same destinations. However, the external institutional framework (such as Portugal’s membership in the European Union and the global economy) operates very differently.

A. Immigrants in a Country of Emigrants

The image of Portugal as a country of emigration has long been part of its identity: a nation defined by the language and culture of its diaspora. Despite being one of the oldest nations in Europe, for almost two centuries, Portugal’s only experience of immigration was through traditional arrivals from Galicia, the region on the northern border with Spain, and through the presence of Brasileiros.20

Portugal’s first modern experience of immigration was the return of emigrants from former colonies after the decline of the Portuguese empire, the end of colonial wars in Africa, and the recognition of newly independent countries in 1974-75. In less than one year, in 1975, about half a million retornados arrived in Portugal, equivalent to more than 5 percent of the Portuguese population.21

Upon its entry into the European Economic Community (EEC) in 1986, Portugal embarked on a period of economic growth. It attracted foreign investment, benefiting from EEC financial transfers, and invested in infrastructure and vocational training. Between that date and the first years of the 21st century the Portuguese economy grew by 4 percent per year, and employment increased from about 4.3 million to 5.1 million.22

Meanwhile, Portugal’s economic conditions attracted new flows of migrants from former colonies, especially Cape Verde and Angola, after the end of its civil war.23 Most of these immigrants had low levels of education and professional training, but they quickly responded to the increase in the demand for jobs, especially in the construction and public-infrastructure sectors. In the 1990s, Brazilian migrants followed. Knowledge of Portuguese—the official language of their origin countries—facilitated access to networks and jobs, mirroring the comparative advantage enjoyed by Portuguese emigrants in Brazil in times past. Also in this period, immigrants began to come from Eastern Europe, especially Moldova, Romania, and Ukraine.

Portugal was a country of positive net migration throughout the 1990s and 2000s, although net migration has declined since 2000 (see Figure 4). Yet throughout this period, emigration never ceased; the net migration changes were driven mainly by immigration rather than just a decline in emigration.

The impact of rising mobility on public attitudes largely reflects the prevailing belief in Europe, which “considers immigration to be important in order to meet needs in terms of skills, but sees it as somewhat excessive.”

In Portugal, public attitudes were shaped by the fact that a population known for its diaspora was now being confronted by other diasporas. Immigration was transformed into a central issue in society, not just among the public and media, but among the academic community. Experts began to study the drivers behind this shift from a society of emigrants to one of immigrants, such as Portugal’s membership in the European Union and the growth and modernization of Portuguese society.

B. Still Emigrants After All These Years

If we look at the official statistics, the contribution of outflows has been modest. Between 1992 and 2007 annual outflows never exceeded 20,000 permanent emigrants. However, the true scale of emigration has been difficult to estimate since temporary emigration, not accounted for in these estimates, has been growing at least since the 1970s. (From less than 20 percent of the total outflows, temporary emigration reached around 50 percent ten years later and about 75 percent by the turn of the century). The latest data for the 2011-14 period reveal a smaller proportion, reaching 63 percent in 2014. (See Figure 5.)

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This trend raises the problem of the differing nature of Portuguese emigration. Even though the status of temporary migrants varied over the period considered, temporary exit increasingly has corresponded to temporary work. Changes in several European labor markets, especially Germany in the 1990s, support the thesis of a change in the nature of Portuguese emigration, but also in the nature of the institutional frameworks of those labor markets.

To test the hypothesis given by the image of “old wine in new bottles,” the nature of Portuguese emigration can be analyzed through the most recent data from the destination countries. In addition to the changing nature of the flows, we have yet to consider the existence of an adjustment in the social composition of the stock of Portuguese emigrants abroad.

How did these new cohorts of emigrants, especially temporary emigrants, differ from previous cohorts? Data collected by the German Institute for Employment Research on the characteristics of Portuguese residents in select OECD countries (Australia, Canada, France, Germany, Luxembourg, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom, and the United States) suggest that the overwhelming majority of these residents have low skill levels (see Figure 6). The share of low-skilled emigrants has declined over time: this group represented almost 90 percent of the total in 1980 and after 30 years they represent no more than two-thirds. Groups with medium- and high-skill levels increased their share from 10 percent to nearly one-third.

This evolution does not track a period of more rapid growth, but an upward trend throughout the last 30

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26 Selection criteria consider countries with at least one year with a minimum of 1,000 Portuguese citizens.
years. The high-skilled group grew faster (quadrupling between 1980 and 2010) than the middle-skilled group (which grew less than three times in the same period).

Figure 6. Portuguese-Born Adults (ages 25 and older) Living in Top OECD Destinations, by Educational Level, (% of total), 1980-2010

Notes: Low-skilled corresponds to primary education (lower secondary, primary, or no schooling); middle-skilled corresponds to secondary education (high school-leaving certificate or equivalent); high-skilled corresponds to tertiary education (higher than high school-leaving certificate or equivalent).


This long-term evolution is in line with the average growth level of education of its population.27 These high-skilled workers have moved to a number of destinations, but the main growth has been in arrivals to Canada and the United States, followed closely by France and Spain (see Figure 7). Spain, in particular, emerged as an important destination for the highly skilled in the early 2000s, in line with the overall increase in flows to Spain during this period of economic boom.

Figure 7. High-Skilled Portuguese-Born Adults (ages 25 and older) Living in Top Six OECD Destinations, 1980-2010


The public perception that “brain drain” is a recent phenomenon, driven by austerity, is therefore far from the truth: In fact, high-skilled workers have been leaving in significant numbers for several decades. Explanations for this trend include European integration, the opening of the Portuguese economy to the external market following the end of the authoritarian regime, and globalization, which has brought increased mobility of cosmopolitan elites and transnational companies.

What is the direct effect of the economic crisis and the austerity policies on emigration in the last five years? Given the trends observed, it is very likely that the crisis may have contributed to the increase in emigration flows across the skills spectrum. In the absence of rigorous evidence, a case study approach can provide a fuller picture of the Portuguese abroad.

IV. The Portuguese Abroad: Case Studies on Recent Evolution

Since the onset of the economic crisis, the major destinations for emigrants have changed (see Figure 8). While Spain was the main destination in 2007, by 2012 it had been overtaken by Germany, Switzerland, and the United Kingdom. With the exception of Spain—due to its own economic problems—the other main destinations (Germany, Luxembourg, Switzerland, and United Kingdom) have all been established Portuguese emigrant destinations since the 1960s, at least.
Figure 8. Evolution of Portuguese Emigration to Major Destination Countries, 2007-12


A. Spain

Between 2003 and 2007 the inflow of Portuguese workers increased from less than 5,000 to more than 27,000. The number of Portuguese-born residents enrolled in Spanish social security doubled over the same period. And Portuguese residents in Spain shot up from 42,000 in 2000-01 to 141,000 in 2009, tripling in size in less than a decade. Only after the 2008 crisis did this trend reverse.

Among the sectors receiving this exceptional stream of Portuguese workers were construction (72,000 in 2007), services (59,000), agriculture (15,000), and manufacturing (9,000). The regions of Galicia, Castilla-León, Madrid, Catalonia, and Andalusia received the most new Portuguese workers, either because their major cities acted as a magnet (Madrid, Barcelona) or because of their proximity to the Portuguese border. Workers frequently commuted between their workplace in Spain and their residence in Portugal on a weekly or monthly basis, with vans full of employees crossing the Spanish-Portuguese border a common sight every weekend. As such, the Spanish labor market functioned as an extension of the Portuguese market, especially in the construction sector.

The difficulties experienced by the Spanish economy in 2008 and subsequent years disrupted these patterns. Since the situation in Portugal was no better, it is likely that a significant portion moved onto other destinations instead of returning to Portugal. The steady increase in high-skilled Portuguese workers in Spain, however, even after 2008, suggests they were not as affected by the Spanish crisis, even in the hard-hit construction and real estate sectors.

B. **United Kingdom**

Over the last three years, the United Kingdom has become the main destination for working-age Portuguese emigrants. The annual inflow of Portuguese rose from about 10,000 between 2006 and 2010 to just over 30,000 in 2013.\(^{30}\)

Official estimates of Portuguese immigrants living in the United Kingdom vary widely. In 2005, British official statistics estimated Portuguese residents around 85,000, while the Portuguese consulate in London suggested it could be as high as 250,000.\(^{31}\) Eight years later, the most recent data identify a substantial increase of Portuguese residents, from 96,000 in 2009 to 138,000 in 2013, an increase of 44 percent in five years. Men represent the majority of this population (60 percent).\(^{32}\)

In relation to other major countries of origin, the Portuguese population in the United Kingdom is relatively low-educated. Half of Portuguese residents have either no qualifications or qualifications listed as “other.” Less than one-fifth have postsecondary qualifications, compared to almost half of immigrants from France or Germany. This level is even lower than that of Polish workers, the next lowest-educated group.\(^{33}\) Moreover, Portuguese workers are most likely to be employed in the distribution, hotel, and restaurant sectors, and are least likely to be represented in the public sector (along with Polish and Pakistani workers). Less than one-quarter is in professional, managerial, or technical work.\(^{34}\)

The recent rise in Portuguese emigration to the United Kingdom has not been accompanied by a diversification of emigrants’ profiles. Most Portuguese workers in the United Kingdom have low qualification levels and are working in sectors with a low demand for professional skills. The highly skilled Portuguese community is even smaller than from countries with the largest immigrant populations in the United Kingdom, such as Poland.

C. **Switzerland**

After approximately 18,000 Portuguese emigrants arrived in Switzerland in 2008—a record high—arrivals fell slightly in the following years, but rose from 2011 to 2013. The number of Portuguese residents, which had been stable at 135,000 for a number of years, grew to 263,000 by 2014, becoming the third-largest foreign community in Switzerland.\(^{35}\)

Portuguese emigration to Switzerland has followed a traditional pattern: initially comprised of the young working population, followed by an increase in female arrivals as a result of family reunification, with low and medium levels of qualification. These movements are often “hybrid,” beginning as temporary stays and eventually becoming permanent. The combination of permanent emigration with seasonal movements, temporary deployments to neighboring Germany, and situations of sporadic work gives these migration flows a flexible and circular character.\(^{36}\)


\(^{34}\) Ibid.


\(^{36}\) Marques, “A emigração portuguesa em tempos de imigração.”
Studies suggest that many Portuguese immigrants in Switzerland have greatly benefited from mobility over time by graduating from seasonal work to more stable sectors with higher wages, such as construction, trade, and services.\(^{37}\) This upward progression in the labor market may have compensated for the low levels of education of many Portuguese migrants, not only in comparison with the Swiss population, but also with other immigrants.

**D. Germany**

In February 2013 the German newspaper *Der Spiegel* published a feature on “The New Guest Workers,” which examined waves of new immigrants from southern Europe and policies to attract highly qualified young people, from engineers to health-care professionals.\(^{38}\)

However, this reported surge in “new guest workers” is only partially borne out by the evidence. Portugal occupied a modest place among the eight largest suppliers of workers to Germany: Of about 1 million entries to Germany in 2013,\(^{39}\) Portugal accounted for just 11,000—equivalent to 1 percent of the total. Southern Europe overall represented less than 20 percent of foreign workers in Germany, while four Eastern European countries (Poland, Hungary, Bulgaria, and Romania) provided two-thirds of new arrivals.\(^{40}\)

Moreover, it is doubtful that most of these immigrants were consistent with the profile of highly skilled workers that the news article conveyed. One study of arrivals from Portugal between 1995 and 2000 found that 36.7 percent were “low skilled,” 29.3 percent “skilled,” and only 2.2 percent “highly skilled” (a further 32 percent were uncategorized).\(^{41}\) While it is possible that the most recent Portuguese immigrants have substantially changed their profile, there is no consolidated evidence confirming the mass emigration of highly skilled Portuguese in recent years.

**E. Other Destinations**

Among the remaining destinations for Portuguese emigrants, none exceed 5,000 arrivals per year. Nonetheless, they do illustrate some interesting trends. While France, Luxembourg, the Netherlands, Belgium, and the Nordic countries provide a similar story to other European countries, emigration to emerging economies such as Brazil has attracted considerable attention.

Despite modest flows in recent years, the largest Portuguese diaspora resides in France: in 2010, almost half a million French citizens with Portuguese nationality and just under 600,000 Portuguese-born individuals were living in France. According to consular data, Portuguese residents in France number about 1 million.\(^{42}\) In addition, Portuguese residents in France are the largest contributors to remittances, providing more than one-third of the total sent to Portugal (see Figure 9).


\(^{41}\) The top three industries were construction (26.3 percent), “other business activities” (11 percent), and “hotels and restaurants” (5.7 percent). See Florian Lehmer and Johannes Ludsteck, “The immigrant wage gap in Germany: Are East Europeans worse off?” *International Migration Review* 45, no. 4 (2011): 872-906.

Among non-European countries, Angola is responsible for the greatest share of remittances (8.8 percent). The importance of remittances from Angola has grown steadily, from 48,000 euros in 2007 to 304,000 euros in 2013.

The media and public in Portugal have attached considerable importance to recent emigration to Brazil, Angola, and Mozambique, mainly because they are less-developed countries with high rates of annual economic growth that offer vastly different opportunities to those from Europe. These movements also signal a reversal of roles between a former imperial power and its colonies. As discussed, migration from these countries to Portugal was a distinct feature of the last quarter of the 20th century. Cultural ties, particularly a shared language and mutual understanding, support this role reversal.

It is not just workers but also Portuguese companies that are attracted by the business environment in these emerging economies. Companies in sectors such as construction, public works, and services sought to diversify and move into new markets as a survival strategy after the housing market downturn. These companies have, in turn, encouraged the emigration of entrepreneurs and skilled technicians with higher- and intermediate-level skills. The skills profile of Portuguese emigrants in former colonies therefore tends to be higher than those in Europe.

V. Portuguese Emigration: The Future?

The migration phenomena observed in Portugal in the last 40 years reveal similarities and coincidences with other European countries. Since people rarely see migratory movements beyond short-term trends and the borders of their own country, social researchers can play an important role in supporting public policy development by conferring accuracy and a strategic perspective, and by finding models whose explanatory power overcomes individual country particularities.
A number of concepts help analyze the new trends in Portuguese emigration:

- **The Southern European Migration “Model:”** While each has a unique migration history, the countries of southern Europe converge across key aspects: the chronology and evolution of migration flows, the demographic characteristics of their populations, the structure of their labor markets, and the speed with which their emigrants have inserted themselves into varied labor markets and new immigrants have arrived, creating challenges for social integration. Moreover, they are all members of the free movement area within the European Union, which facilitates labor migration. Some of the migration corridors that are now most prominent in the free movement area, however, were established before the entry to the European Union of some Member States, such as Portugal, Spain, or Greece.

- **The European Center-Periphery Model:** With the enlargement of the European Union to 28 countries, political instability in the eastern borders, and the growing importance of migration flows, it is useful to understand migration dynamics in Europe through a center-periphery model based on relations between the most developed regions deprived of medium-skilled labor and countries where large portions of the population seek better wages and living conditions. Governments must balance the tension between high expectations and limited progress in the processes of social integration and the fight against employment discrimination, particularly given the precariousness of migrant-labor relations.

- **Liquid Migration:** The concept of “liquid migration” can be useful to analyze the temporary, flexible, and multidirectional characteristics of intra-EU mobility. The logical conclusion of this trend may be that the first decade of this century—and especially the crisis of 2008-14—marked the onset of a new cycle in the history of European migration and, in particular, emigration from peripheral European countries, including Portugal.

Given these structural variables and the history of immigration in Europe, which historical approach provides an adequate explanation for new trends in flows and destinations? To answer this question, it is important to analyze to what extent the nature of recent labor migration in Europe is substantially different or similar to past movements.

Despite the complexity of the causes and contexts of international migration, Portuguese emigration continues to provide evidence for the neoclassical theory of emigration. This theory identifies the major causes of emigration as disparities in income levels, employment rates, and social welfare spending between different regions and countries. This “opportunity system” tends to create expectations and incentives that shape individual decisions on how to maximize individual or family income. The main driver is thus not wage differentials alone, but rather the opportunity to get a higher and more stable income, even if this means working more hours.

Given the different alternatives, destinations that hold a lower risk of failure are favored: family or peer networks reduce the risk of exclusion, facilitate access to job opportunities through privileged information, and welcome newcomers in the early days or in unemployment. The facilities offered by new information and communication technologies (ICT) provide new and more extensive sources of

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44 As a result of these common features, social scientists have referred to an “Iberian” or “southern European” model of immigration. However, this southern European model does not only apply to immigration, but to emigration as well. It therefore makes more sense to speak instead of a southern European migration model.

45 Ibid.


information and help workers reduce risks. Moreover, improvements in education tend to produce higher expectations and encourage people to search for and choose better opportunities. It is therefore reasonable to expect powerful incentives to emigrate to endure in the coming years.

In the next few decades, Europe will face a number of challenges, including maintaining its economic dynamism, competing globally, and counteracting the effects of an aging population. According to one projection, the European population over age 65 will rise from 15 percent in 2000 to 29 percent by mid-century.\textsuperscript{48} In absolute terms, the elderly population will increase from 107 million to 194 million. And the working-age population will decrease from 451 million (62 percent) to 363 million (51 percent). As a result, social scientists estimate that Europe needs to recruit 1 million immigrants between ages 20-45 from outside the European Union per year between 2030 and 2050.\textsuperscript{49}

\begin{quote}
\textbf{Portugal’s economic growth could become even more dependent on migration, both on the return of Portuguese migrants and entry of new immigrants.}
\end{quote}

These labor needs will likely not be evenly distributed between Europe’s center and periphery. In this scenario, Portugal and other peripheral countries—possibly already affected by mass emigration to the countries of the center—face considerable risks. Portugal’s economic growth could become even more dependent on migration, both on the return of Portuguese migrants and entry of new immigrants. The current trends may herald the onset of a new migration cycle, initially dominated by emigration, but ultimately one that will require Portugal to attract a new wave of immigrants, in a second phase.

\section*{VI. Emigration Policy}

During the last two decades, migration policies have focused on immigration, especially border control, regulations, and measures to facilitate the integration of immigrants and their families. Emigration—whether policies to minimize departures or promote return—has not been a priority.

Emigration policies have rarely extended beyond the traditional functions of support from embassies and consulates in destination countries. While a dedicated Secretary of State of Portuguese Communities Abroad exists, the role is fairly limited to informing people of their rights before departure, maintaining a consular network, and promoting Portuguese language training abroad. The economic crisis, with the added difficulties and need to focus government policies on balancing public accounts and promoting economic recovery, did not help with the development of targeted policies to discourage departures or promote return of emigrants.

The political discourse of the Portuguese authorities implies that any attempt to stem emigration flows will require structural reforms to the labor market to create the conditions for economic recovery and attract foreign talent and investment. For example, the Golden Visa program gives third-country nationals

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who invest 500,000 euros in property in Portugal a temporary residence visa. A government agency, AICEP Portugal Global, seeks to attract foreign investment and support Portuguese companies abroad. Similarly COTEC, an independent association of entrepreneurs, has been working to create networks and encourage the flow of capital among Portuguese companies abroad.

More recently, a strategic plan for migration contains some measures to mitigate the effects of emigration and attract talent. While the specifics are still unclear, areas slated for action include attracting foreign students to Portuguese universities, especially from former colonies; bringing in young scientists to work on national research projects; and mobilizing Portuguese emigrant entrepreneurs to invest in Portugal.

While these efforts are modest, an improvement in the national and international economic climate could bolster these initiatives and enable them to expand on a grander scale.

VII. Recommendations

There are few ready solutions for Portugal to overcome either its economic troubles or its demographic outlook. Only economic growth will create opportunities for the success of new generations in the labor market, encourage return of recent emigrants, and create the conditions to recruit new immigrants in the future.

Such an approach should include the following components:

- **Double down on efforts to expand exports.** Migration from Portugal is highly responsive to labor market conditions and the quantity and quality of opportunities available. The government’s recent focus on expanding tradable goods/services and exports and internationalizing the economy needs to be consolidated in order to try to increase employment and stem the ongoing emigration flow.

- **Attract foreign investment and invest in technology.** The Portuguese economy’s debt situation makes direct foreign investment an imperative; investments in technologically advanced areas may also create new opportunities for highly skilled jobs. Portugal needs to increase the number of graduates in technological areas in order to make the competitive advantage in human capital and to establish itself as an attractive pole for this investment.

- **Avoid policies that encourage wage depreciation.** Competitive economies require competitive labor markets able to retain high- and medium-skilled workers. This objective is incompatible with policies promoting low wage-based competitiveness. Low wages in an increasingly transnational labor market are not a competitive advantage, but an incentive to emigrate with limited appeal to immigration.

- **Make structural labor market reforms.** Institutional reforms in the Portuguese labor market cannot continue to ignore the changes in EU markets. The changing nature of migration—more temporary, flexible and based on circular flows—introduces ephemerality and plasticity in labor relations, which are not always compatible with traditional protection schemes. There is a clear mismatch between the national institutional framework for labor market and transnational dynamics of labor mobility.

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 Improve knowledge of “brain drain.” The emigration of highly skilled young people should be further studied in order to understand whether this is a temporary situation or a mismatch between the structure of higher education and the needs of the economy. Brain drain is always a loss considering the investment the country has made in the education of its youth. However, the media does not always accurately evaluate its size, features, and trends. While it does not seem to be true that the emigration of highly skilled young people has changed the traditional profile of low-skilled Portuguese emigration, increased numbers of departing high-skilled nationals merits attention. It is important to distinguish the effects of the internationalization of the Portuguese economy from a significant loss of human capital to understand the impact on economic growth. During the last 15 years in Portugal education has grown more than the economy and generated a surplus of skills that only a new economic growth phase can absorb.

 Continue to fund scientific research, especially with an international dimension. A remarkable number of scientific researchers have recently emigrated, creating a special case of brain drain. Portugal has benefited from strong investment in the continuous training in-country of scientific researchers over the last 20 years; this should not be interrupted. Efforts should also be made to support scientific projects connected to larger international networks. The weak internationalization of a significant part of Portuguese scientific research is inefficient and compels the best researchers to seek employment abroad.

 Draw on group identity and social networks. Social networks are a good instrument for the preservation and development of social ties between migrants, their families, and their peers. However these new technologies do not dispense particular attention to traditional forms of socialization in immigrant communities (clubs, associations, contact groups) allowing the identification and recruitment of investment and entrepreneurial initiatives. Migrant experiences may represent a valuable source of knowledge that opens prospects for return or for establishing business relations between Portugal and destination countries.

 Governments face the challenge of reconciling institutional and normative national frameworks—such as welfare systems and employment regulations—with the dynamics of transnational migration and labor market conditions. The Portuguese case is a strong example of a mismatch between the normative framework of national policies, usually very protective of the established, and the transnational scale of these social dynamics, based on increasing global competitiveness of work.

 A future European Union of dual societies—with national workers having access to generous protection systems on the one hand, and foreign workers in low-wage, low-security jobs in the informal sector on the other—is a realistic but undesirable scenario, both for social outcomes and the value of work.
Works Cited


About the Author

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