



Habilitation Thesis Reviewer's Report

Masaryk University	
Faculty	Faculty of Economics and Administration
Procedure field	Economics
Applicant	Mgr. Martin Guzi, Ph.D.
Applicant's home unit, institution	Department of Public Economics Faculty of Economics and Administration Masaryk University
Habilitation thesis	Migration and Labor Market Imbalances: Do Immigrants Move to Where Their Labor is Needed?
Reviewer	Prof. Raul Eamets
Reviewer's home unit, institution	School of Economics and Business Administration, University of Tartu

M. Guzi's thesis "Migration and Labour Market Imbalances: Do Immigrants Move to Where Their labour is needed" is a well focused research paper about an extremely important topic, especially if we think about the development of migration in EU during the last 2 and half years. The main objective of the thesis is to explore the diversity across EU member states to analyse how immigrants' relative responsiveness to skill shortages varies across institutional contexts, for different types of immigrant groups, and over the business cycle. This task has been successfully fulfilled and Dr Guzi convinces his reader in his sufficient knowledges in related literature and relevant skills in econometric analyses.

The thesis has five chapters, an introduction and conclusion; structure is well balanced and the text is well written. List of references is impressive and covers most of related literature.

What I missed when reading the thesis was statistical annexes, as there were many background calculations and statistics, which were not presented in the text.

The second general point concerns the hypothesis. In the empirical chapters (and in the conclusion) there were phrases, which stated that specific results support the hypothesis. However, I missed in the text the formulation of a specific hypothesis. Only five relevant research questions were formulated in the introduction.

Chapter 2 Methodology and empirical work

In general, the chapter is very comprehensive, the methodological framework is well explained, the text is clear. Author demonstrates his knowledge about relevant literature, presenting different measures of skills shortage. After discussion he reaches to the conclusion that best way to measure skills shortage is wage premium. This is good indicator widely used by earlier researchers.

On page 19 the definition of immigrants is mentioned in the footnote. In my view it is such an important issue that my suggestion would be to move these clarifications into the introduction chapter.

Chapter 3 Data and sample characteristics

The figures about the dynamics of immigrant population are very good and give a nice overview about the changes that have taken place over the years. In some cases (e.g. figure 3), it would have been nice to also see confidence intervals, as I believe the sample sizes are rather small.

Chapters 4-6 Empirical analysis

In this sections the author demonstrates his excellent skills in econometrical analysis. He convinces the reader that migrant workers are forming a more fluid labor force compared to native employees.

In chapter 6 the author investigates how immigrants have responded to asymmetric economic shocks across sectors, occupations, and states in the pre- and post-crisis periods in Europe. We see the results of several regressions for different cohorts and social groups. My only comment here is that it would have been nice to provide some explanations (or even speculations) why one or another group was more or less affected. Perhaps he can elaborate this topic in habilitation defense.

Reviewer's questions for the habilitation thesis defence (number of questions up to the reviewer)

How do we distinguish other factors affecting wage premium (besides skills shortage), like production technology for instance?

Migration policy data covers period until 2014. Other data until 2016. We know that drastic changes took place in the context of migration (and migration policy) in EU in the years 2015-2016. *According to the author's opinion, how would recent changes in migration policy (after the 2015 refugee crisis) have affected the positions of different countries in table 5.1?*

Conclusion

To conclude I would like to say that this thesis is well structured and focused and provide us new knowledge about migrants' labour market behaviour. I found that the habilitation thesis entitled "*Migration and Labor Market Imbalances: Do Immigrants Move to Where Their Labor is Needed?*" by Martin Guzi *fulfils* requirements expected of a habilitation thesis in the field of Economics.

In Tartu on 7. August 2018



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