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INTER-REGIONAL MIGRATION IN CZ AND SK: THE EMPIRICAL STUDY OF PANEL DATA AT NUTS3 LEVEL

Abstract:

The aim of this paper is to define the relationship between migration, income, and unemployment rates, and therefore estimate these relationships using vector autoregression and the Granger causality test. This study focused on inter-regional migration at NUTS3 level in the Czech and Slovak Republics. The analysed period is from the year 2004 to 2013, and the final panel data is set for one variable, and therefore contains a total of 220 observations. According to the results, the regional migration in the Czech and Slovak Republics was determined by income differences and it is in accordance with the neoclassical theory. The causal relation was not confirmed for differences in unemployment rate. The changes of income and unemployment rates in the Czech Republic and Slovakia were not caused by migration. These results do not support conclusions of the neoclassical model of migration.

Keywords:

globalization, migration, panel data, Granger Causality Test, economic indicators, NUTS3

JEL Classification: C01, J60, F02