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The Role of a Liberalised Aviation Sector on Cross-Border Migration

Bachelor's thesis in European Studies

Supervisor: Michael J. Geary

May 2022

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This thesis will analyze data related to the liberalization of the European air-transport sector, and the effects this has had on movement of people`s across the EU-states, with a particular emphasis on the eastern European states. Reasons for this Is a presumption of increased probability of migration for economic reasons to the western states. The analysis will be done by comparing statistics and referencing back to the already published studies that relate to this matter. The findings relate to that there is a link between facilitation through market-growth and increasing competition, to increasing migration.

Sammendrag

Denne oppgaven vil analysere data relatert til liberaliseringen av den europeiske luftfartssektoren og hvordan denne kan argumenteres har påvirket menneskelig forflytning på tvers av EU-grensene. Oppgaven vil fokusere spesifikt på de øst-europeiske statene og innsnevre der. Grunnlaget for dette er en antagelse om økt sannsynlighet for migrasjon fra disse statene til de vestlige-statene, av økonomiske årsaker. Analysen vil gjøres med å sammenlikne statistisk data og henvisning tilbake til allerede publisert data om dette temaet. Funnene i oppgaven vil kunne tyde på at det er en kobling mellom fasiliteringen av forflytning, gjennom en vekst i flytransport-markedet, og økende migrasjon av økonomiske årsaker. På den andre siden kan det argumenteres for at generaliserbarheten fra disse funnene er begrenset.

Preface

This thesis would not have been possible to write without the trusted, and detailed feedback from my advisor which has been of great use and helped me keep focus on what is important. In addition, my mother has been of great help while writing this thesis, as a morale boost whenever I felt like slacking or giving up.

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List of Abbreviations

EU	European Union
DG	Directorate General
EASM	European Aviation Single Market
CTP	Common Transport Policy

1. Introduction

This thesis will be an analysis of the effects liberalization of the air-transport sector within the European Union has had on cross-border migration. The topic of migration and the freedoms of movement within the framework of the European Union is a subject with a significant amount of literature. Therefore, this thesis will assess and bring light to a different aspect of freedom of movement. This angle will be how the liberalization of competitive and economic rules in the European aviation industry, have influenced the ability to move between EU-states. The research question that will be answered from this, will therefore be: 1) *How has the liberalization of European aviation contributed to cross-border migration*. The question will be assessed in a more analytical fashion, without a strong theoretical starting point. Analyzing what can be said about the role of liberalization on migration via air-transport.

By asking the question the relevance behind, is that the modern-day EU market has significant number of airlines in the low-cost segment operating from various place. It can be argued casting light on this aspect will help contribute to knowledge in an area of freedom of movement that's relatively understudied. Based on this, the assumption is that this increases abilities for Europeans to migrate to better jobs or living standards, and often incentivizes it to occur through simplifying the process and the inquiry is to what degree this can be proven. By analyzing the effects of economic liberalization through de-regulation of the aviation market, the inquiry will explore the effects of liberalization on the market's ability to grow and how this affects migration. The thesis will attempt to understand these effects, by looking at the role of EU-enlargement from the early 2000s and corresponding literature. The latter is based on a presumption of a greater probability of migration and travel given the different economic and political backgrounds of EU-states and the effects of air-transport liberalization in this new mix. *The thesis will therefore primarily examine cross-border migration from the eastern European states of Poland and Hungary with an emphasis on Poland given its geographic size and data availability*. The idea behind this is based on an economic relationship idea where liberalization is thought to develop into traffic growth through increasing market competition and with-it incentives to more smartly to place operations. Thereafter creating improved transportation opportunities for Europeans¹. The latter was also a stated goal of air-transport liberalization in the EU².

The analytical framework will be in the context of the treaty of Maastricht, and the processes leading up to it, and the eastern-expansion of 2004. This includes the countries that joined in the major eastern expansion of 2004, plus Romania, and Bulgaria. My thesis will however focus on Hungary and Poland, but mostly Poland. Since the thesis finds this geographic limitation to be of the most scientific value given social and economic circumstances. Finally, the relevance for the choice of this research question and angle, stems from a view of aviation transport as a factor for increased interconnectedness in the world. For this reason, it may be argued that a European analysis will be of relevance, in an effort to understand the effects of European politics within the Common Transport Policy. The selection of topic also stems from a deep-seated personal interest in the field of aviation and its global impacts and an assumption

¹ Grancay 2010: 7

² Giorgi & Schmidt 2002: 1-3

that the European industry has contributed in many positive ways to integration and migration across borders.

1.1 Literature Review

The subject of aviation in regard to freedom of movement is not the most studied of phenomenon. Therefore, the amount of literature on the specific subject is meager. Why this is, is hard to determine, however it may be argued that the sector's growth and participation in EU politics is a fairly new development and this is part of the reason. However, there is usable amount, and to start, Kenneth Button's solo analysis of air transportation as a facilitating tool in regard to home-travel is a useful perspective, this study however criticizes the role it has in facilitation of migration, as he claims the effect is hard to measure accurately³. However, on the contrary is an article by Lukasz Olipra, Ewa Cybulska, and Ewa Szostak from Wroclaw, stating that migration especially from the eastern-European state of Poland has been greatly facilitated by the rise of low-cost air-routes, the argument there is that the reduced inconvenience in duration and cost makes economic migration more frequent. Facilitation then as in simplifying⁴. Button does agree on this premise; however, the disagreement is to what degree it can be measured. The premise from Wroclaw is a common theme in the studies on the subject of EU-migration and aviation liberalization. This is also backed up by Kathy Burrell's analysis of migration between Poland and the UK. This study deems the low-cost flying segment, to be of great importance given that it permits frequent home visits and a ``hypermobility`` culture⁵. Further on, Alan Dobson's study on the political developments of the EU-aviation sector as a process driven by external factors and state benefit also make up a portion of the thesis' historical context. Further on statistical data from the European Commission, will form a portion of the analytical base for this thesis in the form of explaining the appeal and reasons for migration and how the reforms have affected the situation. In addition, the usage of demographic reports are of great use, from the Hungarian and Polish institutes for demography. Findings from these reports show a significant increase in emigration from these states after they joined the EU, therefore they form a central part of the base for inferring that there is increasing demand for air-transport and that this can be argued to facilitate for migration. In addition, data from the World Bank will be used, for showing air passenger numbers increasing significantly in correlation with other developments. Finally, a discussion paper from the OECD Transport Forum, on the subject of air-transport liberalization will be of use to have literature that covers the entire market-situation of modern-day aviation and serves as a factual source that discuss the market growth and development after liberalization in detail.

1.2 Methodology

To answer the research question, this thesis will use qualitative content analysis for inferences. The thesis will draw on diverse data content from different fields and sources and analyze these qualitatively in order to understand the effects of air-transport liberalization on migration. Some examples of this type of data will be statistical data, and other secondary sources of research of relevance to the topic. A central element I

³ Button & Vega 2008: 1-9

⁴ Olipra et al. 2011: 7-9

⁵ Burrell 2011: 2-3

will use towards building validity is comparison of specific data regarding east to west-European migration in terms of GDP, airline-traffic, and emigration statistics, and comparing this to already published research. The aim with doing this is to see if one can detect increasing air passenger numbers, combined with increasing numbers of people migrating in light of central political events. The selection of sources will be from a wider selection of publications and sources and will be used to back up what inferences can be made from data. The question is so answered through looking at logical bases for migration in the case of eastern-Europe and checking if this has impacted statistics in regard to passenger traffic and migration and analyzing whether this has any validity in already published studies. It resonates reasonably with the majority of sources.

In order to answer and analyze the question of aviation's effect on migration, the thesis will be structured as follows. The first chapter of the thesis will be focused on the historical contexts regarding the single market and the processes that led to European aviation being liberalized along the same lines as other industries. The aim with this first chapter is to give insight into the political processes within the EU over a relevant period that influences the modern-day state of the industry. The second chapter will examine social and political circumstances that are of relevance, statistics regarding migration numbers, economic factors, and business statistics while attempting to infer and cross-check with relevant literature. It will also attempt to analyze how much of this can be attributed to an increase in flight routes by examining the percentages of eastern Europeans in particular that use air-travel and amounts of work/commuting migration that takes place on air-transport. The latter will also be done by comparing figures to other states and on a general level. Whereas the final section will be reserved for the concluding analysis.

2 The Historical Overview of Aviation Reform

Air-transport liberalization can in many ways be regarded as a natural development of the 1970s and 1980s in the European Community. In this period, there was an increased focus on the issue of competitiveness which worked as a driving factor for numerous political processes in the late 1970s and onwards. The results of these developments were increased areas of cooperation and further delegation of competencies to EU-institutions and a renewed drive to finish the Single-Market which was an aim from the Treaty of Rome. The intent of this, was increasing the efficiency and competitiveness of the European-economy, which will be discussed later in more detail. A number of these reforms included liberalizing the economy and removing barriers to trade and movement. Liberalization in this case implies removal of tariffs, quotas, and a harmonization of rules to enshrine simplified freedom of movement, business, trade, and competition⁶. These political processes can be argued were made to finish the Single-Market and achieve the objective set out in the Treaty of Rome. To reach this process a number of steps were taken, a customs union was formed in 1968, a common currency, competition policy and monetary union were established with the aim of reducing transaction costs, in addition to removal of customs formalities⁷.

Progress in the field of aviation policy in the EU did however not start until the late 1970s for a few reasons. The workings of the industry before these reforms, is something described in A.Dobson`s literature as a ``cartel``-business, where airlines in general were state-owned and held profitable pooling of business and profit agreements which were in particular focused on the amount of seats each airline could offer. These types of operations were often based on bilateral agreements between states, which can be viewed as a natural effect of the principle of Absolute Sovereignty and the fact that most airlines were owned by states. The rules governing aviation were stemming back from the Chicago Convention of 1944 which formed the base for the ``absolute sovereignty`` states had on their airspaces. In practice this meant that national-states could exclude foreign carriers from airspace access and airport-usage permissions since there was no law or treaty securing competition rights and air-route were often with fixed prices and the subject of specific agreements. In practice making competition and private economic activity very difficult⁸. The desire to depart from this in the aviation sector, can be argued follows as a result of the same issues and changes in economic doctrines as other reforms the EC underwent.⁹.

2.1 The Process of Reform: 1950s – 1992

The journey to aviation liberalization, was laid in the Treaty of Rome through articles 3, 85-91, and 52-58 which all provided for prohibitions on organized business pooling and facilitated free movement and a competitive market¹⁰. One of the aims of this treaty was to create a political cooperation of free-movement of peoples, goods, services, and capital and in the process facilitating free, unrestricted trade and removing barriers for economic competition. This would be known as the Single Market. In many ways the aviation sector was structured in opposition to these ideals. This was because, airline routes often existed due to bilateral agreements, and with price-agreements this often

⁶ Moravcsik 1991: 6

⁷ CVCE.eu 2022

⁸ Button 2001: 5

⁹ Dobson 2010: 3-6

¹⁰ Dobson 2010:1-3

left no room for potential competing enterprises. This was also the case in Europe. One of the reasons for this was that the aviation industry was for long excluded due to a clause in the Treaty of Rome's articles regarding the Common Transport Policy (CTP). This policy is an aim to establishing a common-market for transportation and facilitate freedom of movement in Europe, which had the underlying ambition of ensuring freedom of movement¹¹. The clause that exempted air-transport, and in many ways stalled the process, mentioned a so-called two-track approach. This meant the articles in the treaty would immediately apply to road, and inland transport, but aviation policy's place on the policy agenda would be subject to the Council of Minister's by unanimity according to article 84(2)¹². The latter makes logical sense given that the majority of airlines in Europe were state-owned and private competition was rare¹³.

Later the Commission would adopt a ruling named regulation 17 of February 1962, which implemented the principles of the CTP, from Rome into road, sea, air and land-transport. However, in November the same year, another Regulation, numbered 141, was adopted, which withdrew sea and air-transport from the policies due to a desire for more established community competencies in regard to these types of transport¹⁴. Given the scope and presumption of high value placed on aviation-sectors, it is understandable that no real progress on the inclusion of aviation into European policies were made until the late 1970s.

Why pressures for reform of European aviation emerged and eventually succeeded can be argued, stemmed from global developments, leading to a desire to increase economic competitiveness. The reason for this can be argued was also part normative influence from the airline deregulation acts of 1978 in the US, which introduced flexible pricing and lesser regulatory rules on competition. The relevance stems from these changes were attracting more consumers and gradually expanding the market.¹⁵ The other part of the explanation for can be argued is due to a wider global trend of the late 1970 of economic turmoil and changing economic doctrines as a way for national economies to deal with this. This was also a time-period where traditional regulative economic policies like Keynesianism and state influencing of national economies where challenged and the new Laffer-Curve model was gaining momentum. The curve was a model that predicted increasing macroeconomic benefits through de-regulation in the form of tax-cuts, regulations, and privatization of state-owned enterprises¹⁶. These elements and their influence is mirrored through the statements of the Commissioner for Transport between 1981-86 describing European reforms as a ``reaction to events in the USA and realization that the same concerns existed in Europe and that unless the system was made more flexible it would break``, later arguing that if European airlines were to be run inefficiently, the limited industry would break¹⁷. This statement also signals a shift in mentality it may be argued, towards a mentality where aviation should grow and be of more societal value.

This process of reform can officially be said to have begun in 1977. This was when the COREPER Working Group on Transport questions was tasked with assessing civil-aviation

¹¹ Giorgi & Schmidt 2002: 3-4

¹² Dobson 2010: 1-5

¹³ Button 2001: 1-4

¹⁴ Dobson 2010: 2

¹⁵ Dobson 2010: 4

¹⁶ Dobson 2010: 4

¹⁷ Dobson 2010: 5

matters. This later developed into a specialist air transport policy unit of the Directorate General (DG) VII¹⁸. Together with the working group, the Commission and reform-minded member-states of the UK under Thatcher, and the Netherlands the process began. These states can be argued had significant interest in privatization as they were both domestically selling of stocks in aviation infrastructure, airlines and working bilaterally to remove restrictions on traffic rights between them¹⁹. Therefore, it is logical that these states had an interest in working with the Commission on this.

By 1985, member states and the Commission reached some consensus in the development of Memorandum 1 and 2 on aviation reform. These were agreements on cooperation that initiated fully the debate and official process of aviation's inclusion into the EC-policy. This was driven forward in many ways by agreement reached elsewhere on the Cockfield White paper, where concrete actions towards finishing the European single-market was agreed upon through Commission proposals. Reform of civil aviation and an individual Single European Aviation Market (SEAM) into the single market process can in many ways therefore be attributed to the desire to finish the CTP and that there was a desire from the Commission and these states to include air-transport along the same regulations to prevent hindrances to competition and facilitate the freedom of movement. Since the aim of the Single-Market was to complete this project of a cooperation without borders or hinders to trade, it was viewed as hindering to exclude sectors. The 1992 deadline can be argued was central, as many sources point to the agreement on this deadline increasing motivation and drive for political efficiency²⁰. In addition, the hindrance of free competition in the air-transport sector was in the view of the Cockfield White Paper, viewed as a hinder to free-trade and thus I violation of the Treaty of Rome. Which can be argued gave the Commission even further motivation to act to liberalize and include the air-transport sector in the CTP²¹.

However, there was a certain degree of hesitation this from the rest of the Council of Ministers, in regard to aviation. This may be argued stems from the fact that a majority of airlines were state-owned and there was desire to shield them from competition²². This eventually led to the Commission taking the Council to the Court of Justice which ruled in the Commission's favor. The reason for taking this step, was that the commission warned that if the paper was not universally applied it would take appropriate measure in line with article 89 of Rome-treaty to prevent the Single-Market process from stalling, in addition to the paper viewing it as a hindrance to article 84. For the reasons mentioned before, that there was a great desire from the Commission to not exclude air-transport from competition. This is also mirrored through a statement given in 1985 where the Commission states that it in no way is prepared to sacrifice the objective of creating more competition in the Air-Transport sector²³. Given that article 89 gives the Commission power to ensure application of the principles from Rome, this is logical. More specifically, the aim was ensuring application of articles 85 which explicitly state that any: price fixing, market sharing agreements and any decisions that affect trade between

¹⁸ Dobson 2010: 5-7

¹⁹ Button 2001: 4

²⁰ Dobson 2010: 5-8

²¹ Giorgi & Schmidt 2002: 4

²² Button 2001: 5

²³ Dobson 2010: 8

states that restrict competition in the common-market is prohibited. Which the air-transport sector did not follow²⁴.

It can be said that this points to the drive for aviation-reform being driven from the Commission^{25 26}. The delay in this implementation can though be argued was in the Commission`s view something that would hinder free-competition, and trade and therefore violate article 85 of the Rome-treaty. The implementation of the majority of these proposals was after the verdict decided would be implemented by 1992, through the treaty of Maastricht.²⁷

The Commission can be said to have played a central-role in aviation reform. It was they who followed up these proposals and effectively forced the Council`s hand. This falls in line with a wider trend in the European process, where the Commission historically has favored expansions of EU-jurisdiction since that awards the European Institutions more authority and competencies²⁸. Therefore, the result was the liberalization and opening up of the European air-transport sector was almost fully liberalized by 1992²⁹. This was a significant development; however, it can be argued that the reforms were not complete until the granting of cabotage-rights in 1997. Cabotage-rights meant that all EU-registered airlines now were permitted to also set up hubs and operate domestically in any member-state. The latter can be argued was of great importance.

In comparison, it can be said these reforms had significant effect. The modern-day European aviation-market is significantly larger than before, with significantly more commercial airlines. Examples of this are companies like Ryanair, EasyJet, Wizz Air, and Euro wings, which all operate routes out of many different cities. In addition, these companies are low-cost air-carriers which base their own business on a different cost structure than national airlines. Examples of their operation are through serving smaller airports often further from commercial centers and using multiple hubs instead of one. In addition, flying a more varied route-network, often to and from and domestically within other EU-states³⁰. On top of this development, many other previously state-owned carriers like Air France, KLM and Lufthansa have had their secure market positions challenged by these air-carriers, for example the market share of low-cost carriers rose from 3% in 2001, to 27% in 2013³¹. This indicates a significant change from the early 1990`s and the signing of the Maastricht-treaty, it can also serve as an indicator that cross-border mobility in the EU has been better facilitated in one sector. This was one of the aims with reforming air-transport and the CTP, which deemed common transportation and its competitiveness as essential for the freedom to move³².

The graph below Is meant to illustrate the significant effect of the aviation-reforms of the 90s. The graph shows a clear increase in flight operations within the Union since the early 1990s, with the largest growth being around the turn of the century. This serves as an initial indicator that the measures were in some way able to increase competition among airlines and therefore supply which was the aim. This can be argued made

²⁴ Treaty of Rome 1957: §85

²⁵ Treaty of Rome 1957: §89

²⁶ Treaty of Rome 1957: §85(1)

²⁷ Dobson 2010: 6-8

²⁸ Wiener et al. 2011: 47-52

²⁹ Dobson 2010: 2

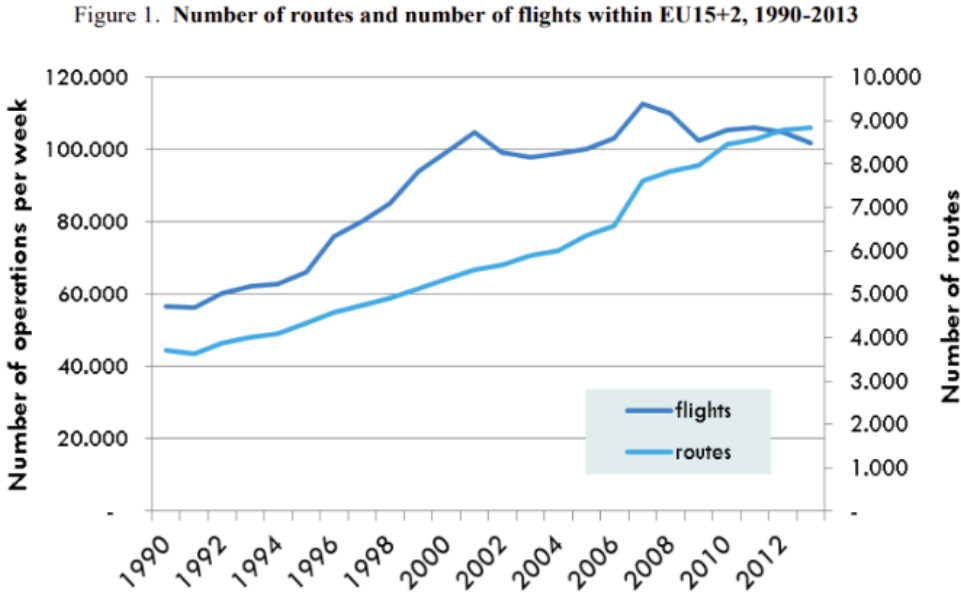
³⁰ Burghouwt et al. 2015: 15

³¹ Burghouwt et al.2015: 16-21

³² Giorgi & Schmidt 2002: 3-4

citizens utilizing their new freedom of movement rights much simpler. Given air-transport`s rapid nature, with it facilitating an increase in migration across the union. The argument here is based on the idea that increasing supply and flexibility in travel costs, greatly makes the prospect of moving to another EU-state desirable. This is something that has significant basis in the literature on migration in light of this development.

Figure 1.1 Flights within the EU since 1990



Source: Burghouwt et al. 2015: p5

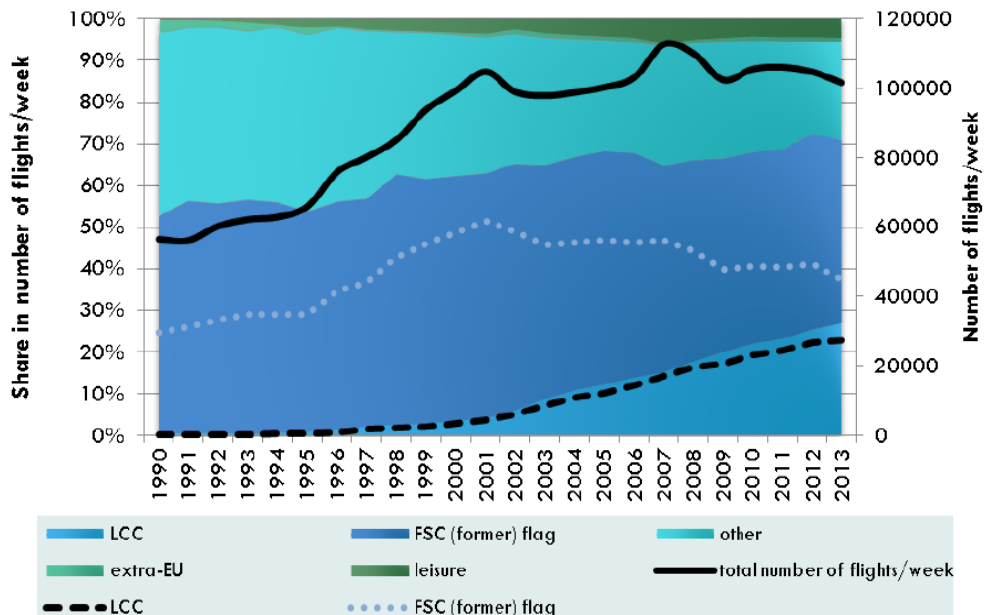
2.2 Assessing the Situation: 1990s – present

In order to assess the impacts of liberalization on movement, completely we first need to assess more of the developments within the aviation sector. A clear effect of the Maastricht-treaty was the granting of cabotage rights, meaning rights to operate domestically within another market for EU-carriers. This can be viewed as a crucial milestone, as with these rights fully in practice, and the liberalization of the industry this now allowed for a new type of routes where carriers could enter domestic-markets despite being from another state. Examples of this would be Ryanair, an Irish carrier, operating domestically in Greece³³. This can be argued would increase the attractiveness of intra-state travel in the EU, as more people would now be able to access quick and affordable transportation to other states from other places than capitals. The latter was a defining feature of the old system, with national airlines often having most of their operations from one hub-city³⁴.

³³ Burghouwt et al. 2015: 15-17
³⁴ Burghouwt et al. 2015: 15

Figure 1.2: Different types of airline-carriers and share on the market

Figure 4. Share of different carrier types in the total number of intra-EU15+2 flights³



Source: OAG; analysis by authors

Source: Burghouwt et al 2015 p14³⁵

As the figure shows, a new type of airline grew immensely after these changes, the Low-cost carrier (LCC, the dotted line), and this growth increases significantly after 1997. A new peak in growth of LCC market share can also be seen by 2004 and the eastern expansion. The rise of the Low-cost carrier can be argued is one of the central developments of the CTP and liberalization of the sector³⁶. These were the airlines that in many ways were the product of Maastricht and the 90s. Ryanair is one such example, as one of the first low-cost airlines to form, in 1995³⁷. It may be argued their success in the modern-day sector is a result of the liberalization of aviation. The growth of this airline took shape rather rapidly and by 2007, the carrier was established with 223 different routes and 20 bases all over the EU. This can be argued greatly facilitates migration, given that this provides accessibility to many destinations from many different cities. Such a grand expansion would not in many ways be possible without the reforms contributed to the Maastricht-Treaty.

In return, the significance of this can be argued provides greater opportunities for migration and increases its simplicity. In the case of Poland, and migration to and from the former EU-state the UK, London airports have a significant number of passengers from Poland, which is logically to be expected. However, in the case of the low-cost model, smaller cities like Glasgow, and Doncaster also receive respectively 10, and 6% of all passenger traffic from Poland in the early 2000`s and the vast majority stems from

³⁵ Burghouwt et al. 2015: 14

³⁶ Burghouwt et al. 2015:

³⁷ Dobruzkes 2013: 1-2

low-cost traffic³⁸. This development tells us that potential poles that have settled can much easier fly back home and visit family if they reside in the UK, since more airports have direct flights there. The importance of accessibility through variation in routes, can be argued greatly reduces the personal and societal costs of migrating to another state. Given also, that this development was measured in 2005, it is therefore reasonable to presume that these policies have contributed to a greater degree of interconnectedness between EU-cities and greater variety in location since it corresponds with steady increasing air-traffic numbers. The same development is visible in Poland, where cities like, Katowice, Wroclaw and Gdansk have seen significant passenger number increases at the expense of the capital Warsaw³⁹. The relevance of location be argued also creates even less inconvenience of travel, as reaching an airport with low-cost services is simplified and greatly reduces the inconvenience of undertaking migration to states far away⁴⁰. This is a clear difference from before and can greatly be attributed to cabotage and liberalization⁴¹.

Data show steady correlation between rise in emigrants from the eastern states and rises in flight-route supply and passenger numbers. Given these correlations we can have an indication that an increase in intra-European and cross-border migration has been in many ways facilitated by liberalization of aviation, since this is also backed up by studies. This data, data can serve as an indicator to that air-transport liberalization has created a culture of ``hypermobility``, that makes it affordable, and easier for people to migrate abroad and Poles residing in the UK for instance, often travel home because of this⁴². The latter development can be said would not be possible without the liberalization of the industry. These routes in particular are operated by the giants of European low-cost, Ryanair and Wizz Air, both of which were founded after the signing of the Maastricht-Treaty.

2.3 Summary of Aviation Reform in the European Context

A spillover-effect from liberalizing and further integration of other sectors can be argued is a contributing factor to aviation being liberalized. The guiding principle in all of the EU-developments of the late 1900`s, was to shape the Single-market which is a *common-market* type of cooperation between states consisting of common tariffs on different goods, free and unrestricted movement of capital, and labor⁴³. This also includes in the EU`s case, mutual recognition of products, common regulative institutions, and a de-regulation of sectors in such a way that it increases incentives and facilitates economic competition⁴⁴. European aviation-market liberalization and integration can therefore be viewed as a process that logically complements these steps that were taken towards a more integrated Europe. The latter is logical if one considers in particular the way the commission pressured for action to include aviation into the Common-Transport Policy.

To finish, aviation can be viewed as an extension of these developments since the EU historically has moved steadily in the direction of increased economic integration and excluding sectors can be argued would stall this process as was argued by the

³⁸ Burrell 2011: 2-3

³⁹ Olipra et al. 2011: 8-10

⁴⁰ Burrell 2011: 2-3

⁴¹ Burghouwt et al. 2015: 13-14

⁴² Burrell 2011: 2

⁴³ Cvce.eu 2022

⁴⁴ Cvce.eu 2022

Commission and the White Paper. It can also be argued that anything like the modern-day market would be difficult to achieve any sort of meaningful pan-European legislation given aviation`s cross-border nature.

In regard to the effect on migration, the facilitation and achieving of freedom of movement was the aim of aviation liberalization through the CTP and other modes of transport. When the aviation reform was established, this was done with the aim achieving and securing the freedom of movement⁴⁵. The next section will therefore discuss and analyze some aspects to how this has played a role in relation to eastern European EU accession.

⁴⁵ Giorgi & Schmidt 2002: 3

3 The Significance of European-Aviation on Migration

The European Union is an open market in terms of movement, trade and doing business. This in return can be argued provokes a greater incentive for immigration given the simplified nature without border-checks and visa-requirements. In 2004, a significant amount of former eastern-European states which during the Cold-War belonged to the Soviet sphere of influence, joined the EU. These states had significantly different economic and social mixes than their western counterparts of the EU. Once these states accessed the EU, it may be argued that these states and their populations had increased probability of migrating, particularly to the west and that this would cater well to the new terms for the aviation-sector.

The eastern expansion of 2004, saw the southern states of Cyprus and Malta, along with 10 former soviet states of: Latvia, Lithuania, Poland, Slovakia, Czechia, Hungary, and Estonia join the EU. The latter 8 were all former communist-soviet states and were as a result in worse shape economically than their peers and at the turn of the 1990`s and towards the 2000`s required large reconstructive steps. These steps included debt-reduction, attracting investments from abroad through reform and securing foreign currency⁴⁶. The effects of this are particularly visible on states like Poland, and Hungary which even today in the modern age are still outperformed on GDP by similarly-sized states as the Netherlands, Spain, and Belgium. Statistics from Eurostat shows that this trend continues still later in the 2000`s with an economic divide between east and west⁴⁷.

To exemplify further, the case of Poland and Hungary are of relevance. From 2010-2020 Poland has had a GDP per capita, on rising from 9400Euros annually to 13,650 in 2020 with the EU-Average being 25,520EUR in 2010 and 29,910EUR in 2020⁴⁸. Whereas the figures for Hungary was 9980EUR in 2010, and 14010EUR in 2020. This serves as an indicator that these states are in some ways financially improving, although still underperforming compared to their western peers. This can also be argued is one of the reasons that these states see higher migration levels and concentrations of low-cost flights in the EU, as will be shown in figure 1.3 and 1.4. Poland for example, has had since 2004 an ever-steady increasing number of low-cost flights to the UK, starting at 7 in 2004, increasing to 65 by the winter of 2008/2009⁴⁹. These offerings of flights can be argued serves a demand for transportation to the west given the economic circumstances. The relevance of this is that it shows that the new expanding low-cost aviation market would find great demand in the eastern European states, due to worse economic situations. In addition, the use of these statistical numbers in this case tells us that eastern Europeans are most statistically likely to use low-cost air transport given the lowered cost. This is something that can explain the so-called term of ``hypermobility``, which as mentioned describes frequent moving to and from the home-state of a migrant⁵⁰. It can be argued here that this has great symbolic value through showing how EU-reform has greatly simplified moving across continents in terms of cost and time.

⁴⁶ Holman 1998: 9

⁴⁷ Eurostat 2022

⁴⁸ Eurostat 2022

⁴⁹ Olipra et al. 2011: 15

⁵⁰ Burrell 2011: 2-3

Figure 1.3 Low-cost air-services at city level

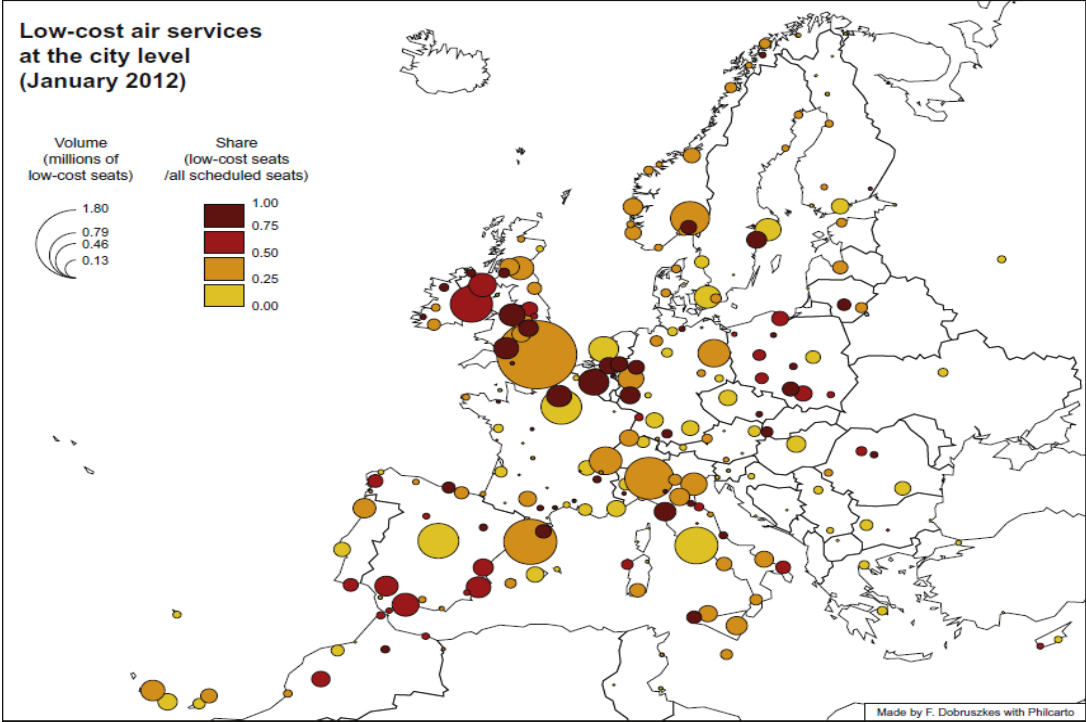


Fig. 2. Low-cost services at the city level. Take-offs within, from and to Europe (EU27, Iceland, Norway and Switzerland).

Source: Dobruszkes 2013: p5⁵¹

Figure 1.3 illustrates that in the Polish and UK market in particular, low-cost airline seats make up a significant amount of all airline-seats available, this can serve as an indicator that the low-cost market’s increasing size also applies to Poland. What this serves of relevance to the thesis is to demonstrate that the low-cost market has significant appeal in Poland, and this can be argued is explained to some degree by the economic differences and what we find in other studies. This in return can serve as an argument that the liberalization of air-transport has been able to access a large demand for emigration in Poland. However, the demand can be argued in many ways serve people migrating from rural areas, where jobs and living standards often are lower than the capital average and thus granting access to western European states⁵². Thus, effectively reducing the inconvenience of migrating by sourcing the transportation close to home. As mentioned before, other cities than capitals in the UK and Poland have a significant amount of air-passengers between each other. However, these routes can be argued also exists for tourism purposes, as this also makes up a significant amount⁵³.

⁵¹ Dobruszkes 2013: 5
⁵² Burrell 2011: 2-3
⁵³ Burrell 2011: 6-8

After the signing of the Maastricht-treaty and the accession of Poland to the EU in 2004, the number of emigrants from these states has been steadily increasing ever since the start of the country`s association with the EU, and was at its peak in the early 2000`s. These changes in states can also be argued has some explanatory value from changes in transportation infrastructure and mentioned cultures of mobility. It may therefore also be argued that EU-enlargement can be an explanatory factor for the market-growth in airline-sector and the increased demand for transportation that have fueled low-cost carriers. The latter is logical given the different economic contexts of the EU-states after 2004.

Figure 1.4 States and polish emigrants from 2000

Tablica 6. Głównie kierunki emigracji na pobyt stały w wybranych latach
 Table 6. The main directions of emigration for permanent residence in selected years

Wyszczególnienie Specification	2000	2005	2010	2014	2019
Ogółem Total	26999	22242	17360	28080	10726
w tym: of which:					
EUROPA EUROPE	22865	18416	14651	25031	9701
Austria (AT)	532	308	338	676	397
Belgia (BE)	99	149	296	539	224
Dania (DK)	90	58	138	232	130
Francja (FR)	309	295	339	483	174
Grecja (GR)	49	76	91	72	39
Hiszpania (ES)	111	265	272	349	169
Holandia (NL)	—	405	565	1196	361
Irlandia (IE)	15	18	43	86	60
Islandia (IS)	239	393	680	1356	770
Niemcy (DE)	20472	12317	6818	10266	3846
Norwegia (NO)	49	72	303	626	272
Szwajcaria (CH)	57	75	102	264	208
Szwecja (SE)	249	268	400	557	245
Wielka Brytania (GB)	189	3072	3472	7392	2383
Włochy (IT)	273	413	535	583	249

Source: Statistics Poland 2019 p81⁵⁴

The table above is fetched form a demographics report published in 2019, by the polish central statistics office. The figure shows amounts of poles that have been registered in EU-states, categorized by their abbreviations, (GB = Great Britain, DE – Deutschland or Germany), and categorizes where the majority of Poles on average have migrated since 2000 being from early on Germany and the United Kingdom. For clarity, this figure illustrates a large emigration, which is underlined by the fact that in 2011, 5,2% roughly 2.06million poles were registered living abroad. ⁵⁵. This data could serve as evidence that the new air-transport market has gained momentum through EU-enlargement, since it correlates with passenger number figures in figure 1.6. This is given that in many ways, the growth of the aviation-sector can be argued would not be the same without EU-enlargement and reform, given the size of population increases and the differences in economic cohesion at the time⁵⁶. However, there is some inconclusiveness to this, as the UK was one of the first EU-states which opened their labor-markets and given

⁵⁴ Statistics Poland 2019

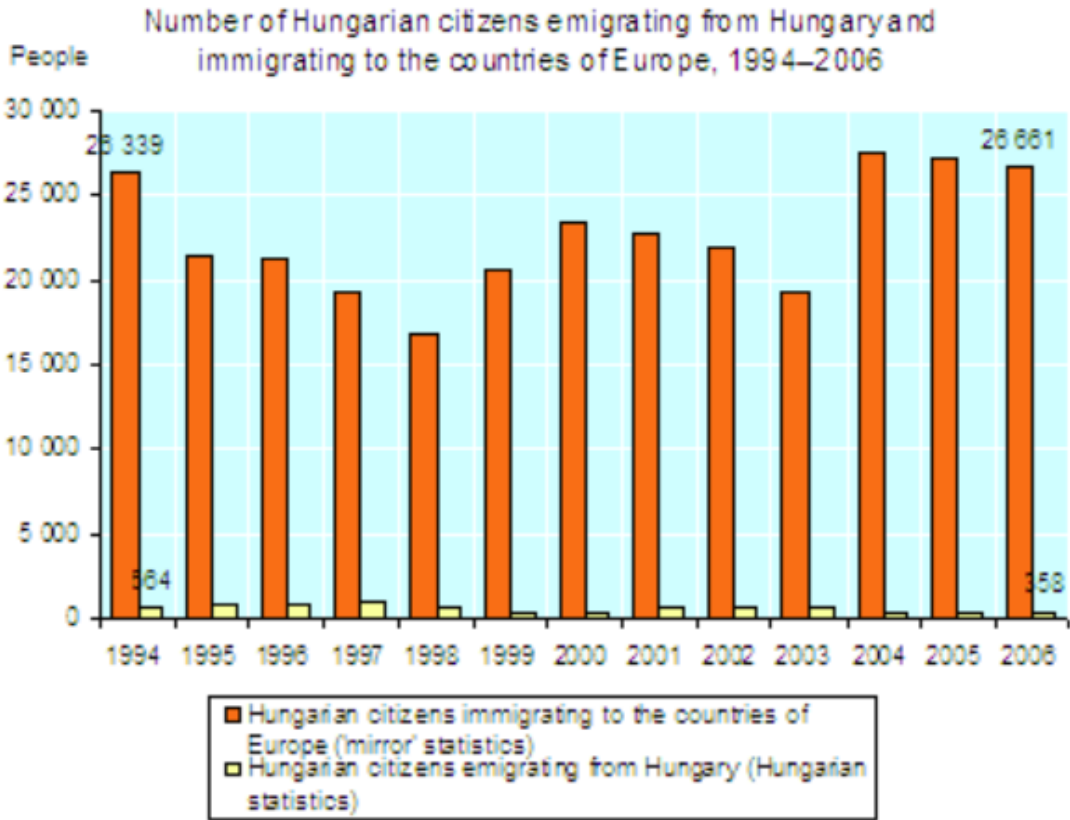
⁵⁵ Żuk and Żuk 2017: 7

⁵⁶ Monnier 2004: 2-4

Germany`s close proximity to Poland makes it harder to argue if air-transport liberalization has been a vital factor for migration here. However, given the distance between Poland and the UK this is logical, and the role of low-cost air transport between these states is well documented in literature⁵⁷.

A similar development on migration statistics can be seen in Hungary. As illustrated by figure 1.5 emigration from the country significantly increased after 2004, compared to the previous years⁵⁸. The latter data is based on estimates the statistics office has collected through estimates based on population decreases, and registered settled Hungarians in other countries. The data from the Hungarians is not country specific, like the polish data, but categories based on European-states in the continental sense where its clear EU states form a majority.

Figure 1.5 Numbers of Hungarian emigration to the EU 1994-2006



Source: Hungarian Central Statistics Office 2011⁵⁹

The argument for presenting these statistics, is that they serve as an indicator of the differences in socio-economic status among the member states and the western counterparts. Thus, explaining why there is a tendency for migration from these states and how the new low-cost air transport sector is of relevance ⁶⁰. The development in figure 1.5, also mirrors passenger numbers increasing in figures 1.7, which also can lead to an indication that emigration is in some way correlated with airline-market growth.

⁵⁷ Burrell 2011: 2

⁵⁸ Hungarian Central Statistics Office 2022

⁵⁹ Hungarian Central Statistics Office 2022

⁶⁰ Gödri 2020: 19-20

What the inference in this case is, is that these statistics show that there is increased probability to move out of Hungary and Poland to other states of the EU. However, something that cannot be disregarded is the fact that the EU states all are relatively close to each other and that the literature on Hungarian migration culture is rare. This means generalization on the role of low-cost airlines for migration will only be valid in the case of Poland.

Since there exists a correlation between the statistics in regard to air-passenger numbers from these countries, and data can it be said that this give some reason to indicate an effect. The aviation market has grown significantly in size as indicated by figures 1.1 and 1.2, and this has coincided more or less in a time-frame were migration-numbers from two select countries deemed of relevance, did also in combination with passenger numbers.

Figure 1.6 Air transport, passengers carried Poland from 1991

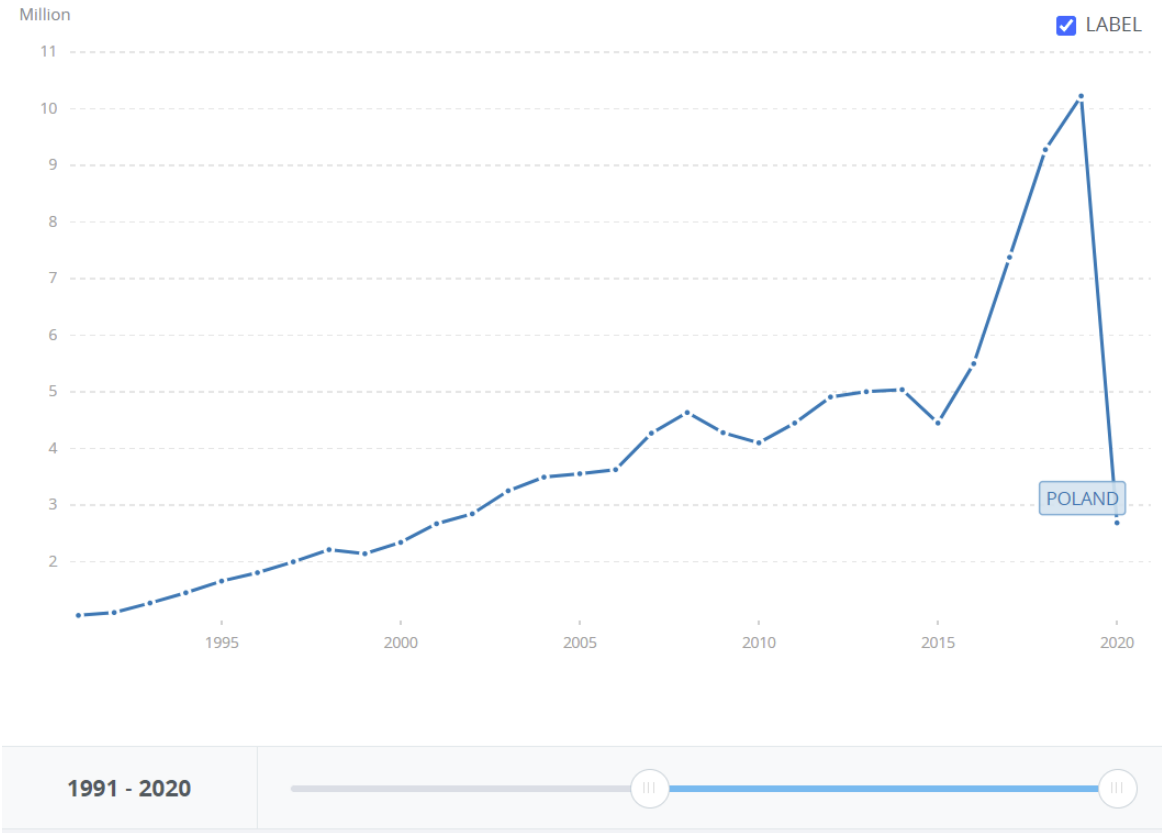
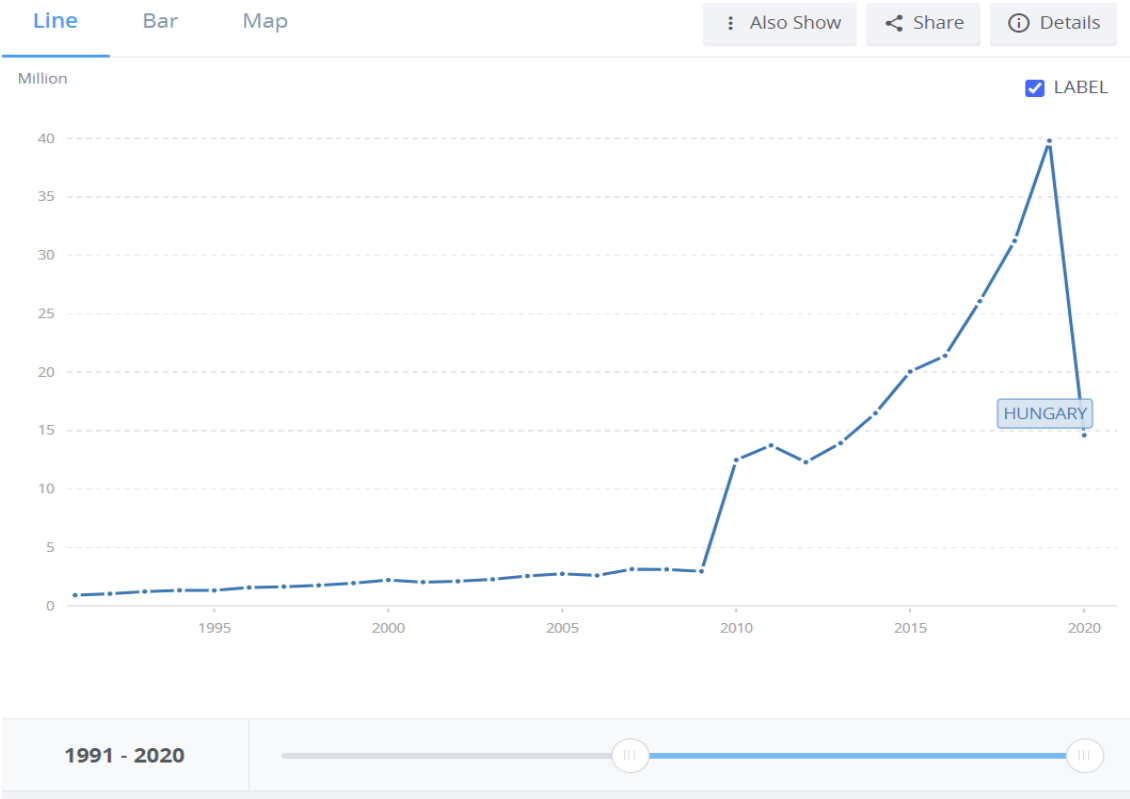


Figure 1.7 Air transport, passengers carried Hungary from 1991



Source: The World Bank 2022⁶¹

The later graphs show differences, yet similarities, both states had increasing numbers of emigrants, and air-passengers in our time-frame. However, development in Hungary has taken place at a later stage than in Poland, but correlates significantly with the Maastricht-Treaty, cabotage and general market growth. This therefore gives us some reasons to say that air-transport liberalization can in many ways have benefitted greatly from these states joining the EU. And that there is reason to believe that an explosive growth in airline markets in the low-cost segment in particular have been facilitated by eu-expansion.

The reason for this is, if we base ourselves on the studies of Button and Vega, that flying in the new structure of low-cost based in various cities, facilitates large numbers of migrants to the west, and greatly reduces the cost, time, and downsides.⁶² This tells us that by all standards does there exist a logical appeal to migrate from these states on airlines. However, it does not tell us that these migrants all exclusively travel by air-travel, since the literature on this topic lacks statistical proof for this. Therefore, the relevance in correlating passenger numbers, with relevant political events and migratory numbers is of most use. This is backed up by statistics from Eurostat, that in 2022 still point to car-transportation being the mostly used way of mobility in EU. And the average miles travelled per day on air-routes is much smaller than those by car. However, given that choosing to migrate to another state is a rare journey, this makes sense with states like the UK⁶³ In addition, the proximity Poland has to in particular Germany, where many

⁶¹ World Bank 2022
⁶² Button & Vega 2008: 11-12
⁶³ Eurostat 2021

poles migrate, makes it possible to argue that a cause link relationship to flights driving this development is disproven. This can be argued, because of it being a reasonable driving distance away and analysis that show fewer low-cost air-routes from Poland to Germany in comparison to the UK⁶⁴. Therefore, an argument that can be made is that the liberalization of the aviation sector through the CTP has better facilitated mobility, in some cases. As mentioned before, one of the aims of the CTP was to ensure the proper operation of free movement of people. It may be argued therefore, that the liberalized aviation sector, and its new dynamics in the form of low-cost air-carriers have created a situation where it's easier to access and take the risk of migration, since it reduces the cost, duration, and the social difficulty of being far away from family and friends.

3.1 Further Analysis

Polish research done at the University of Wroclaw has uncovered that since the 1990s and the start of Poland's EU-membership, that economic migration has increased in frequency and length through air-transport liberalization⁶⁵. Given the numbers of migration from Poland in particular, it can be argued that this creates large demand and adequate space for a more flexible aviation sector to grow in capacity and market-share. The former mentioned research would argue that this is the case, that the reduction in inconvenience of travel has caused the number to increase, and this explains the correlating statistical data and Burrell's 'hypermobility'⁶⁶. In addition, the study makes the claim that the large settlement of polish migrants in particular abroad, creates a constant demand of people returning to Poland for visits and holidays⁶⁷. To sum up, the valid effect air-transport liberalization has had, can be argued to be in the shaping of a precedence that moving and making use of movement-freedom is not an arduous task that would require a large sum of money. Thereafter reducing the societal perception of the process of migrating, from something costly, to something that's accessible, and allows for frequent visits to home and contact with the origins. In practice this could be argued fulfills the aims of the CTP, by creating a large network of transportation, that's affordable, accessible and which does not take long in comparison to rail or road. In the case of Poland to UK migration this can be said to be of great help.

The studies of Kathy Burrell, on the subject of cultures of migration has taken elements of the topic and analyzed it further. In the paper of 2011, on cultures of migration regarding from Poland to the then EU-member state United Kingdom. Burrell has studied groups of migrants who have a common tendency, migrating to the west from the old east. Burrell studies appear in many ways to confirm a link of variable degree between the rise of low-cost air-carriers and migration. In these studies, it becomes clear through statistical analysis and interviews that a majority of polish migrants to the UK, in particular, use airlines like Ryanair and Wizz Air to travel. This study backs up arguments made by Olipra and other studies affirming the inconvenience of travel has made economic migration much more common through decreasing distance to home and allowing for frequent visitation⁶⁸. This is something that she has in common with Button and Vega's study on labor-migration, where the frequency of travel home is greatly increased, thus reducing the social costs and the impact of being far from home. This also corresponds with Olipra et al, that describes a gradual change from road-transport

⁶⁴ Olipra et al. 2011: 14

⁶⁵ Olipra et al. 2011: 16

⁶⁶ Burrell 2011: 2-4

⁶⁷ Olipra et al. 2011: 15-16

⁶⁸ Burrell 2011: 2-7

to flying⁶⁹ All in all, this can be argued makes the facilitative aspect of air-transport liberalization more valid as it can be argued facilitates, as mentioned, by increasing accessibility and reducing personal costs.

Burrell`s argument is that low-cost flying, which in many ways was a new phenomenon in Europe as of the 90s; Has become a defining aspect of migration within the EU and that in the case of Poland, the majority of migrants to and from the west takes place on low-cost flights. However, this study is only about migration to and from the UK, which was one of the first states to open up their labor-markets to the Poles⁷⁰. However, to sum it up, it can be argued this leads to the only cause and effect relationship we can encounter from air-transport liberalization to cross-border migration in this case being that of facilitation and with-it increasing usage. Meaning, having increased the simplicity of the process by having cheap and regular flights, to numerous different airfields. In addition, this thesis only looks at particular data in Poland in the case of Burrell, and Olipra et al.

⁶⁹ Olipra et al. 2011: 15-17

⁷⁰ Olipra et al. 2011: 3

4 Concluding Analysis

The economic air-transport liberalization of the Maastricht-treaty in many ways created the modern-day low-cost airline, while it can also be argued had the effect of increasing the operational scope and options for airlines. From being able to access markets that previously were shielded by duopolies, and national barriers, to flexible route offerings in and from numerous EU-states. Ryanair is one such case, that operates domestic flights in many of the central and eastern European states and connects smaller regional hubs to the more economically prosperous west. This in many ways would not have been possible without the liberalizing aspects of EU-politics in the late 70s and 80s. This and the general effects on the airline-market can be argued facilitates simpler migration, by greatly increasing accessibility. In some cases, this facilitation also appears to increase the viability of migration to western-Europe.

From this thesis, it can be shown that there is a significant cause relationship in regard to low-cost flying, which is a significant consequence of the Maastricht-Treaty. However, the relationship between the growth of low-cost aviation and migration for other states, is not sufficiently documented in the data for this thesis. For instance, it's highly unlikely that the majority of emigrating poles fly to Germany given the proximity or that the same development can be easily proven in other states. Through Button`s analysis and his analysis with Vega it may be argued that this can be extrapolated to a general-trend for migration as a whole, however this is not discussed in detail and therefore I will argue that the effects of liberalization of aviation on migration from eastern-Europe can therefore validly be discussed as a facilitating factor given the cost and accessibility.

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