

# EU Labor Mobility: From Free Movement and Enlargement to New Talent Strategies



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EU enlargement in the 2000s, layered onto the free movement of workers under Article 45 of the Treaty on the Functioning of the European Union (TFEU), turned Europe into a de facto single labor market. The dominant adjustment was an east-to-west reallocation that relieved vacancies in construction, logistics, hospitality and care across the older Member States, while reducing unemployment in sending regions. Recent empirical work also finds that joint EU membership—even after accounting for the phasing-in of free movement—raised bilateral labor flows, as credible integration rules and expectations lowered frictions and encouraged mobility. When frictions fall, workers reallocate towards opportunity.

Because the transitional arrangements adopted after 2004 staggered access to host labor markets, the legal act of accession and the full application of free movement were not always synchronous. That institutional detail helps explain why intra-EU flows rose both before and after full liberalization, and why the east-to-west pattern persisted for years as wage and productivity gaps narrowed only gradually. Mobility functioned as an adjustment mechanism for labor supply-demand imbalances: receiving

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economies absorbed pressure where demand outpaced local supply, while sending regions faced the familiar challenges of retaining and upgrading skills at home.

The resilience of that equilibrium was then stress-tested by Brexit. Re-introducing policy frictions between the UK and the EU sharply altered incentives. Evidence points to a marked increase in return migration of EU citizens from the UK to the EU—particularly to the post-2004 accession countries. UK sectors long reliant on mobile EU labor tightened, while new points-based or seasonal schemes only partially backfilled the gaps; absorption proved slower and costlier than under free movement.

Since the pandemic, labor-market tightness has broadened. Unemployment sits near historical lows in many Member States, and vacancy pressure spans both high-skill roles and essential services. Intra-EU mobility remains substantial but is more mature than in the 2000s—less one-way and more responsive to sectoral demand and wage differentials. At the same time, non-EU workers have accounted for a large share of net job growth, reflecting both economic migration and protection-based inflows—notably people from Ukraine admitted under the Temporary Protection Directive—whose early access to employment and streamlined procedures accelerated entry into work.

With the pool of available workers from within the EU shrinking or leveling off, migration from outside the EU has become increasingly important. The Union has responded with proactive talent strategies. Talent Partnerships link pre-departure language and credential training with legal pathways into EU jobs in partner countries in North Africa and Asia, turning ad-hoc recruitment into stable, demand-responsive pipelines. In addition, the Commission is developing an EU-wide digital Talent Pool to help European employers recruit qualified workers from abroad more easily.

Another pillar is skills recognition and development. The EU has long worked to harmonize professional qualifications across Member States; more recently, it recommended that countries simplify recognition for third-country nationals as well, both to attract global talent and labor-market integration. Alongside this, initiatives such as the European Skills Agenda and the Pact for Skills aim to upskill the domestic workforce through public-private partnerships in key industries. The policy arc, in other words, runs from a right to move to a toolbox to match—and to match fast.

Given ultralow fertility, rapid aging, and persistent labor-market mismatches, Korea could draw on this shift. In that spirit, bilateral Talent Partnerships with priority origin countries could link pre-departure Korean language, job-specific training, and credential preparation to clear legal pathways aligned with shortage indicators, while a public-private reskilling effort inspired by the European Skills Agenda and Pact for Skills could serve both domestic and migrant workers. Progress might be tracked against vacancy duration, retention and productivity rather than headcounts—helping to turn inflows into dependable capacity while maintaining public confidence. **KIEP**