Migration flows affect the economic, social and demographic situation both in the countries of origin and in the countries of destination. They raise a number of questions regarding their implications for labour market, income inequalities, public finance or welfare. No wonder, then, that the population flows have always been the focus of the economists and the policymakers.

Poland's accession to the European Union entitled its citizens to travel freely across EU member states and gave them access to the European labour market. As a result, many Poles have decided to move abroad in search of well-paid jobs. According to the data of the Central Statistical Office, the number of Poles living abroad in 2011 was more than two and a half times higher than in 2002. The migration composition has also significantly changed. More and more migrants were young, well-educated and, at the same time, living in the small, economically backward regions with limited employment opportunities. Have these changes in the scale and structure of post-accession emigration had a significant impact on the Polish economy? Who has lost and who has benefited from these changes? What are the implications of these changes for the fiscal system and pension scheme? What was the role of remittances sent by emigrants to their home country? The project aims at delivering answers to all these questions.

To this end, I will construct a two-region macroeconomic model accounting for the households' heterogeneity with respect to age, skills level and income and allowing for migration flows. The model will be calibrated to the Polish economy. Solving the model will allow to identify the groups of Polish society which were most affected by the consequences of the increased population outflows and therefore obtain a new, insightful contribution to the ongoing debate on design and targeting of social and economic policies. The results of this study will also shed more light on the efficacy of various policy tools in alleviating the potentially negative effects of migration. As a result, apart from expanding the existing scientific knowledge, my project will have some practical implications. The results of my study will be relevant not only for the Polish society, but also for other sending countries.