

Olli Kultalahti • Ilari Karppi • Heikki Rantala  
(editors)

# Europe in Flux

Transitions and Migration Pressures



Institute of Migration  
Migration Studies C 16

# **EUROPE IN FLUX**

## **Transitions and Migration Pressures**

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**EUROPE IN FLUX**  
**Transitions and Migration Pressures**

Edited by

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## PREFACE

This volume is the first of three books to deal with European regional changes and transitions during the fifteen-year period starting from the early 1990s. Discussions in this volume stem from the way how post-socialist transitions were seen in the beginning of the period, emphasising the expected migration pressures. The second volume focuses more on the recent debate that emphasises ageing and other demographic challenges faced by the European labour markets. The third volume discusses regionalisation and regional co-operation as fields of societal development that, among many other things, may alleviate migration pressures.

The decade around the turn of the millennium witnessed a special phase of European integration. In the mid-1990s the European Union expanded by three new Member States, Austria, Finland and Sweden. Negotiations for several other new members had started, and the year 2004 witnessed the accession of ten more states. Our study on migration pressure from Eastern and Central Europe towards the old Member States covers this intensive phase of European integration. The implementation of free mobility of labour force between most old and new Member States since May 2006 concludes one important phase in this integration.

Europe has experienced radical changes through its entire history. In the twentieth century, the two World Wars together with other turmoils and even more peaceful developments molded the continent into a new system with different spatial structure and order. Reformed nation states and international organisations implied renewed spatial interaction between localities and regions. The Iron Curtain exemplifies, among others, a new spatial order in the continent allowing only limited and quite strictly controlled interaction between the western and eastern parts of Europe. The collapse of the communist regime and the demolition of the Iron Curtain launched again a new spatial order, whose contents and dimensions still remain to be seen. This book tries to scrutinise certain dynamics of the developments in Europe in the 1990s.

The interest of the West in Eastern and Central European countries was drastically raised by the collapse of the Soviet Union, the demolition of the Iron Curtain and the orientation of the former socialist countries towards market economy. Our knowledge about the then status of those countries in general and about their institutes and every day life in particular was not sufficient. This attitude was supported by a new kind of access to various information sources and a new kind of opportunity for survey studies.

In 1994 the Academy of Finland launched a Research Programme for Russia and Eastern Europe. During 1995-2000, a total number of 26 research projects were financed through the programme. This book is based on one of those projects project<sup>1</sup>, as well as three later projects financed by the Academy of Finland.<sup>2</sup>

The first mentioned project serves as an example of a wide and intensive cooperation between the Finnish team and researchers from Tallinn, St. Petersburg, Prague and Bratislava. The Finnish team in the Department of Regional Studies and Environmental Policy in the University of Tampere, Finland, planned, carried out and was in charge of the total project (see Introduction and Chapter 2 in this book). Researchers in the four cities mentioned above collected the survey data in practice. The project teams were as follows: prof. Marje Pavelson and associate prof. Katrin Paadam in Tallinn, prof. Dusan Drbohlav and researcher Eva Janská in Prague, and Dr. Vladimir Zekely and Dr. Daniel Kollar in Bratislava. Mr. Pasi Sipilä provided us with precious assistance in St. Petersburg. We have enjoyed discussing with many other colleagues who share our interest in the topic. We like to mention Hallgeir Aalbu, Sergey Artobolevskiy, Jiri Blazek, Arto Haveri, Elli Heikkilä, Harri Jaskari, Harley Johansen, Urpo Kivikari, Riitta Kosonen, Erkki Liski, Kari Liuhto Gunther Maier, Mauri Nieminen, Jack Osman, Asta Salmi, Markku Sotarauta, Pekka Sutela, Jan Szöllös, Ismo Söderling and Enrico Todisco, among many others, and eventually Virginia Mattila who checked the English.

Results of all these projects have been published in numerous articles and reports. This book brings up and emphasises some approach which to our understanding are of a particular interest now that the European Union has extended to have 25 Member States. The authors of the book are researchers from several countries. We want to take this opportunity to thank all those who contributed to our research projects and publishing this book.

### *Editors*

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<sup>1</sup> Olli Kultalahti (project leader), Ilari Karppi and Heikki Rantala, Social Changes in Eastern and Central Europe – Migration Pressure and Social Integration, project 31782, 1995-1997, the Academy of Finland.

<sup>2</sup> Olli Kultalahti (project leader), Ilari Karppi and Heikki Rantala, Changing Labour Markets and Mechanisms of Mobility under Recession and Expanding Economy, project 43568, 1998-2000, the Academy of Finland; Olli Kultalahti, Role of human mobility in social development, project 52406, 2001-2002, the Academy of Finland. Ilari Karppi, project 208135 (prof. Kari Liuhto), Russia in Flux research programme, the Academy of Finland, 2004-2007.

# EUROPE IN FLUX

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Olli Kultalahti, Ilari Karppi, Heikki Rantala (eds.)

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# INTRODUCTION

OLLI KULTALAHTI

The beginning of our research process in 1995 was marked by a turning point in European integration history. Finland, Austria and Sweden joined the EU. Negotiations for membership between most new applicants and the EU had started, with Cyprus and Malta in 1990, with Hungary and Poland 1994 and with the others in 1995. The year 2004 witnessed the expansion of the EU by ten new Member States, and free mobility of labour force, one of the four basic principles of the EU, will come true this year throughout most of the EU.

Mobility of human resources is one of the most important conditions for economic development. The internal market of the EU is based on the free mobility of goods, services, capital and labour force. The principle has been best realised in the mobility of goods and capital. Services and labour force have not been particularly mobile, not as much as was expected when the internal market was established. On the average about two percent of the labour force in the fifteen old Member States are from some other Member States. The reasons are many and varied; for example, economic benefits are often overcome by costs caused by cultural and social differences, language problems and limitations derived from location-specific skills. The accession of Spain, Portugal and Greece in the 1980s serves as a good example. The living standards between the new and old Member States were considerable. The old Member States were afraid of a great influx of workers from the new Member States; transitional periods against free mobility were launched. After the period, no mass immigration followed.

The collapse of the Soviet Union, the removal of the Iron Curtain and the eastward enlargement of the EU has created an entirely new situation. The cultural and other differences are greater than they ever were between the old Member States. The role of location specific skills is also of particularly importance due to the former socialist economy. These facts and others alike are likely to control real emigration opportunities and repress emigration willingness. On the other hand, great income differences between old and new Member States make expected emigration benefits higher than ever was the case between the old Member States.

Most of old Member States were again afraid of mass immigration from the new Member States. The transitional arrangements, phasing-in periods, were taken in use 2004 and abolished 2006. Public debate on this matter has drifted on and off, particularly trade unions have felt need for shelter from foreign labour force. Various Gallup surveys have produced different results and conclusions; most of them do not suggest any mass immigration. The situation is somewhat confused. What has become clear is need for more throughout knowledge and understanding. From the Finland's point of view changes in Russia and Estonia are the most crucial. That is why, already in 1994, the Academy of Finland launched a Research Programme for Russia and Eastern Europe. During 1995-2000, a total number of 26 research projects were financed through the programme. One of them was the project on social integration and migration pressure in Eastern and Central European countries (project 31782). The aim of the project was to analyse social changes in the capitals of Estonia (Tallinn), the Czech Republic (Prague) and Slovakia (Bratislava). In Russia, St. Petersburg was selected due to its geographical location near Finland's border and both micro and macro economic importance to Finland. Prague and Bratislava represent the Visegrad countries in Central Europe whereas Tallinn and St. Petersburg are parts of the Baltic Sea Region still to unfold as a vibrant European economic area. Moreover, due to the historical and geographical closeness both of them represent to Finland particular arenas of European post-Cold War changes and transitions.

The project was designed and carried out by the project team in the Department of Regional Studies and Environmental Policy, the University of Tampere. The project team consisted of Olli Kultalahti, Ilari Karppi and Heikki Rantala. The project was targeted to the employed labour force in the four city regions. The Finnish team developed a tailored stratified sampling system which made it possible to collect a representative sample with some restrictions under the economic limitations. The randomness was applied both to the establishments (enterprises and other organisations) and individ-

ual employees. In the both levels a stratified approach was adapted (for details see Chapter 2). Surveys and interviews were carried out in co-operation with researchers of local universities and research institutes under the supervision and participation of the Finnish research group members in 1996 (see Preface). The empirical primary data mostly used in this publication's articles was gathered from 227 enterprises and other employing organisations in the above mentioned four city regions.

The book is divided into three Parts. In Part I, attention is paid to research methodology in a broad sense and to migration dynamics in East-West migration based on historical background and societal change in the 1990s, in Part II some case studies are presented and finally Part III concludes the book.

In Part I, Chapter 1 deals with an analytical approach to migration research. Kultalahti presents an analytical framework on the problem of formation of migration pressure based on research literature. A great part of discussion comprises basic terms and definitions. The aim is to clarify the phenomenon for analytical purposes. The basic elements of migration propensity, willingness, barriers preventing from migrating and migration pressure can be found in the features and developments of the whole societies. Those changes are reflected in structural conditions and individual attributes of potential migrants. In certain circumstances and among certain population groups, migration is considered as the best choice to try to solve present problems and/or to achieve better living conditions. Social changes and individual characteristics, such as age, marital status and education, are conditions (emigration potential) for formation of emigration willingness. However, they are not sufficient conditions; what are needed more are stimuli rousing attitudes, motives, favouring emigration as a possible and attractive solution. Such stimuli can be produced and transported by different mechanisms, such as social networks, efficient information channels, person's ability to control his or her own life and relative deprivation. These are naturally only examples which illustrate the relationship of social change at an aggregate level and potential migrants' characteristics at an individual level. Young and single persons are basically mobile because their ties to locality are not as strong as those of old, married and uneducated people.

It is obvious that migration propensity defined as was done above and the mechanisms lowering migration threshold depend on each other. Advanced education systems in a larger urban area create conditions for the development of the labour market and globalisation. They attract young labour force, provide educational opportunities, increase the number of career-oriented employees and encourage young people to postpone their marriages. International interaction expands, relatives, friends and acquaintances emigrate, for-

foreign enterprises and partners immigrate, information moves effectively through mass media and social contacts from a country to another develop. On the other hand, in large urban areas living conditions tend to become more and more polarised; differences between the badly and well off are growing. Polarisation tends to increase willingness to emigrate in both ends of the welfare dimension. The well off tend to have both willingness and opportunities to emigrate; their skills are demanded for by foreign labour markets. At the other end of the welfare dimension frustration and relative deprivation are also likely to increase emigration motives but opportunities to emigrate legally are poor or totally missing. The form of the “opportunity curve” gets a biased U-shape resembling perhaps more a J-shape.

Karppi and Rantala describe the sampling procedures used in the empirical survey in Tallinn, St. Petersburg, Prague and Bratislava (Chapter 2). This unconventional approach serves as an example of data-collection in intercultural and heterogeneous conditions. The general sampling approach developed and used by the Finnish research team (Kultalahti, Karppi, Rantala) is a tailored approach for collecting survey data in a situation where registers are insufficient or missing for sampling purposes. In such circumstances simple random sampling is not possible; a basic stratified one is only partly rational. A stratified sampling procedure based on establishment registers was used in picking up enterprises in the first phase. In St. Petersburg the procedure was not implemented due to register problems. A mixed multi-level stratified and simple random sampling is used by the Finnish team for picking up individual workers for interviews in the second phase. The term “multi-level” refers to two sampling steps in this phase; first together more than 3000 employees in the four city regions are randomly selected for a short questionnaire with a purpose to map the respondents’ willingness and intentions to emigrate. The results are used to divide the respondents into three categories: “Yes-Movers”, “Maybe-Movers” and “Non-Movers”. Karppi and Rantala give a detailed description on the general approach and technical sampling solutions.

In Chapter 3, Karppi scrutinises and analyses regulatory channels in transition from a human resource mobility’s point of view. He tries to capture the basic elements and processes of the regulation. In his own words: “. . . the migratory mechanism constitutes a social setting or an arena on which actors or *players* such as legislature of the potential receiving country, enterprises with their projected demand for labour force, the European Commission, governments of the sending countries and, naturally, the individual migrants may have a wide range of roles depending on each particular situation.” His ambitious aim is to sketch a theoretically based approach for studying factors underlying causes of the constitution of human resource

flows of East-West migration. His discussion implies re-appraisal of earlier findings in the context of cross-border interaction and integration as broader processes. Perhaps one of the most important and innovative ideas in the paper is to interpret historical, theoretical and empirical findings, based on his own analyses and other projects, in an interesting way as cross-border regionalisation. The latter term refers to formation of border crossing interaction in such a way as to make it easier to overcome various complex thresholds and obstacles caused by the border. The cross-border interaction through cross-border regionalisation would then be regulated and controlled. The controllers would not only be state authorities and the like but rather enterprises, other organisations and various fellow-actors in forms of social networks.

In Chapter 4, Rantala pays attention to some important elements in the former socialist economies, such as formal and informal activity and the area between those two. These elements have still kept their influence in the transition stage, and will do it even further. The division of the economy in formal and informal was a necessity in the socialist economy. The formal economy could not provide the citizen with decent living conditions; the informal one was needed to fill the gaps left by the formal economy. The division is closely associated with human resource mobility in the transition stage. As a consequence of the collapse of the Soviet Union and the communist regime, the formal economy lost a great part of its ability, already as weak as it was, to meet resource needs of people. The informal economy remained as a necessity but at the same time something more was needed between the formal and informal economy. Rantala analyses the role of privileges provided by employers, such as lower prices of products and others, from that perspective. Such privileges tend to tie employees to their present locality rather than encourage them to seek better living conditions in another country.

In Part II, Bayer's paper, Chapter 5, on transit migration through Visegrad-countries towards the West represents both a case study and special features of migration dynamics in the 1990s. First she gives a brief description on the migration history of the region from the middle of the nineteenth century to the turn of the new millennium. The migration history reflects the restlessness and complexity of the region's entire history. Transit migration has experienced differences in the region in the late decades. The role of Mediterranean European countries in hosting transit migrants seems to have sifted, in part, towards the East. An explanation for this is the lack of legislation and effective border control in the former socialist countries. Transit migration has developed some special features, such as a low return migration rate, a nature of multi-stage and stepwise process. The sending countries of the transit migrants can be found in Asia, the former USSR, the former

Yugoslavia and Africa. The Visegrad Countries may be the first station on the transit migrant's way to the West, Western Europe or Americas, or they may be the second step after the former USSR, another Visegrad country or the Mediterranean region. Bayer recognises three phases in transit migration in the 1990s starting from the immediate aftermath of the drastic change through the period of revisiting old migration policies with new, tightening legislation and border control to an intensified period implying a revival of the number of illegal migrants and the development of migration related legislation. The author describes and analyses a great variety of the determinants and effects of transit migration. She pays also attention to some future alternatives and policy implications. She concludes that while a great share of migrants come to benefit the dynamic opportunities in the region, many have used the CECs as a springboard to the West relying on legislative gaps, border control inefficiencies and formal and informal networks. At the end of her paper, Bayer discusses the new situation following the enlargement of the EU.

Chapter 6 presents a historical review of human mobility in Czechoslovakia and in the Czech Republic in the 1990s. Kultalahti, Drbohlav and Uhlirova describe and analyse changes in the country affecting migration pressure. They use the empirical data collected in 1996 by the Finnish and Czech team (see Preface footnote 1 and Chapter 2). The Czech Republic is a Visegrad country having a complex migration history. Differences of the living standards between the country and the old EU Member States would suggest a great emigration pressure but the historical and present facts and data available do not necessarily support this hypothesis. There are some population groups which are more inclined to emigrate than some other groups but the total picture shows a fairly moderate eagerness to emigrate. The authors use a logit model specification to find out factors affecting the emigration motives among the employees in Prague, the capital of the Czech Republic. Given a simplified model with few variables, the authors find out that the dramatic socio-economic changes in the early 1990s have influenced particularly the probability of emigrating of people who are in a certain turning-point of their lives and who meet requirements needed for overcoming barriers to emigrate to another country. Not surprisingly, young and single people with transferable skills are the most willing to leave their country. The logit specification gives some interesting figures of pull factors influencing emigration probabilities. The odds ratios suggest that the following factors are about to double the emigration probability: relatives and acquaintances abroad, having earlier studies and work abroad, foreign language skills and employment organisation in business services or export/import activities. All these factors are typical and essential features of a global economy.



In Chapter 7, Zekely studies the migration history of Slovakia which is strongly affected by the history of the nation state. For example, during the Austro-Hungarian Empire, many Slovaks emigrated to the fertile land of contemporary Hungary and Austria. Industrially developed Bratislava and its hinterland were not affected by emigration as much as the rest of the country. Another wave of emigration from Slovakia occurred after the establishment of the Czecho-Slovak state. The widening economic gap between the East and West and longing for a more just and free life during the Cold War triggered illegal political and economic emigration from Czecho-Slovakia. The new political order of Europe in 1989 gave again a rise to emigration. Statistical data are inaccurate but a majority of emigrants probably headed to neighbouring Austria. Actually the Bratislava and Vienna regions form a twin city region where Vienna attracts commuters, short-term migrants and more permanent immigrants from Bratislava.

The author uses also the empirical data on emigration willingness from Bratislava in 1996 (see Chapter 2). He concludes that, among other things, in Bratislava there are still workers with “inherited lack of career ambition”. The term “inherited” refers to the Communist Party during the socialist era when the career a worker was based on the membership in the Party or personal contacts with important people rather than on the worker’s own expertise and skills. According to the author, this attitude is still typical for a large part of the Slovakia’s population. It is obvious that an attitude like this tends to discourage emigration. The author analyses willingness to emigrate among various population groups. Willingness varies from a group to another, but great differences of living standards along with international integration processes in Europe seem to increase the importance of transboundary migration rather than to decrease it.

Migration and commuting between Vienna and Bratislava is the subject of Kollar’s paper in Chapter 8. In the 1960s, 1970s and 1980s the traditional guest worker migration from Bratislava to Vienna was a result of government regulation. After the fall of the Iron Curtain the mobility changed towards a supply driven migration. As the author mentions, Slovak work migration is different from the Polish, Turkish or Yugoslavian migration. It is characterised by daily and weekly migration connected with different type of perception of the Austrian environment and with different type of adaptation. An essential reason for the Slovak migration is obviously maximisation of economic profits; the distance between the cities is only a few tens of kilometres. However, the author wants to look closer at the nature of the migration by using two separate survey data bases. He found out that the socio-demographic structure of the Slovak work migrants changed in the course of the early 1990s. The share of young people and the single graduates with

medium level education increased. In spite of their work in Austria, a majority wants to live in Slovakia. However, there is a successful group of Slovaks in Austria with an ability to speak German which is willing to give up the Slovakian citizenship.

The articles described above illuminate some features of the drastic changes the Eastern and Central European countries are going through. The changes are diversified; accordingly, the research on their dynamics has to be diversified. The book presents a few approaches for this research; particularly from human mobility's point of view. In their concluding Chapter 'Europe in Flux' in Part III The Span of Transformation the editors pay attention to several aspects of potential developments in Europe in the near future. They start by emphasising an obvious fact that Europe is transforming, not only new Member States and potential new candidates are changing but also old Member States. Migration pressure and related phenomena in old Member States are indicators of far-reaching societal changes. What seems an inevitable development is a growing polarisation, particularly among immigrants in old Member States but also among indigenous populations especially in some new Member States. That is why willingness to emigrate and migration pressure are not easy to be measured; attitudes and motives may be based on a need to change the present circumstances rather than a need to emigrate.

A special emphasis is given on borders and their role for cross-border interaction. The authors try to give their views to the complexity of the issue. A border is not only a barrier for physical mobility of goods, services, capital and people; what is even more important is its role in formation and development of all kinds of interaction between nations. International migration is not only cross-border moving, it is also moving from a culture to another; the fact having a special emphasis in this book. Europe is likely heading towards a more regionalised future, not only in terms of physical or economic regions but also in terms of social and cultural regions. One of the key issues is that of social exclusion and inclusion. The phenomenon is recognisable in old Member States, but particularly acute among the new entrants. The authors conclude their discussion by a question which will be crucial in the future: Is the European Union able to create the sustainability of economic growth and to restore trust in governmental institutions? There are huge income differences between the countries and other geographical areas, there is perceptible segmentation on the labour market, and so on. For many citizens of the new Member States migration is still a chance to improve one's economic situation.

PART I:  
MIGRATION DYNAMICS  
IN EAST-WEST MIGRATION



# AN ANALYTICAL FRAMEWORK OF RESEARCH ON MIGRATION PRESSURE: CONCEPTS AND APPROACHES<sup>1</sup>

OLLI KULTALAHTI

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## 1.1. Basic terms

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The concept of migration pressure is ambiguous. A potential migrant, say “A”, may feel pressure, i.e. willingness, to migrate in a certain living and working environment whereas another potential migrant “B” in the same environment does not do so. The environmental characteristics are similar, i.e. in analytical terms they are controlled. The migration pressure felt by the potential migrant “A” is then a matter of other factors than the environment. It may be a matter of the relationship between a potential migrant’s willingness to migrate and barriers preventing the person from migrating. In other words, the person’s personal characteristics denoted by his or her way of responding to the environmental and other stimuli become crucial. In our example, potential migrants “A” and “B” react differently to similar environmental stimuli. For “A” the environmental stimuli function as push factors whereas for “B” they are either pull or indifferent factors. Different reactions by “A” and “B” derive, at least to a great extent, from a person’s *individual values and goals and his or her opportunities to realise these values and goals*.

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<sup>1</sup> This article is mainly shortened from Kultalahti 2006.

People have certain characteristics in common, such as age, gender, family status, education, which are closely related to their tendencies to migrate. For example, for the young, single and educated migration is an easier choice as a way to change living and working conditions than for the old, married with children and uneducated. In other words, *the migration propensity* of the young, single and educated is greater than that of the old, married and uneducated. This definition does not include willingness to migrate. Migration propensity is often defined differently so as to include all factors, including the values, attitudes and goals *expressed in willingness to migrate*, making people migrate. Then migration propensity can be measured empirically as numbers of migrants from one place to another, provided that barriers preventing from migration can be controlled with at least some accuracy.

However, in this analytical framework *we consider migration propensity and willingness to migrate to be two separate but closely related phenomena* rather than combining them. This way we can study *migration propensity* by using statistics on properties of a population, whereas a study on *willingness to migrate* requires data on attitudes, opinions and goals collected by survey and other methods, such as interviews, postal questionnaires and various documents.

The separation of these two aspects of migration increases our opportunity to analyse the reasons for migration, as well as migration pressure. It is not, however, a sufficient condition. Even though environmental factors are to a certain extent controlled, there always are variables with different meanings for people. *Environment* has to be analysed from various angles and levels, such as work, neighbourhood, residential area, community, nation and international labour market. In other words, we have to pay attention to various factors affecting potential migrants' activity and opportunity to achieve goals. Only by taking into account individual and environmental factors in all aspects can we approach *the problem of migration pressure*.

Now we can summarise the definition of some central concepts of migration pressure, such as '*propensity to migrate*', '*willingness to migrate*' and '*migration pressure*'. *Migration propensity* refers to conditions and circumstances making it easier to select migration as a way to solve problems from a number of options. The term is used for an *objective assessment* of the likelihood that an individual will migrate (cf. Schaeffer 1993).

*Willingness to migrate* is more based on individual motives stemming from both those conditions and circumstances mentioned above and other factors; hence the term has a strong *subjective dimension*. Thus 'willingness' can be seen as a consequence of 'propensity' rather than as a synonym for it. 'Willingness' may be based on the pull factors of potential destination areas or push factors of the present living environment. Empirically 'willingness'

expresses itself in attitudes and intentions. So, what is an important difference between propensity and willingness is that although migration propensity increases an individual's likelihood to migrate it may not be a sufficient condition. For example, being young and single implies a certain amount of migration propensity but only willingness to migrate, that is, motives stemming from the propensity *and other factors affecting individual's intentions*, makes it happen; always assuming that the barriers are not too insuperable. Naturally, the definitions presented above apply only to voluntary migration. The pull factors are often associated with voluntary intentions to migrate whereas the push factors are more often of a compulsive nature forced.

The term *migration pressure* is a combination of three factors; first, *propensity*, that is, objective likelihood of migration, and second, *willingness* to migrate, that is, subjective feelings about migration as an opportunity, and third, *barriers* preventing an individual from migrating.

There are many reasons for making a clear differentiation between the above-mentioned terms. For instance, the change of (natural) migration propensity is usually slow and can be predicted relatively easily. The demographic transition based on cultural values serves as an example. Most of the western societies are undergoing the so-called second demographic transition, implying small families with few or no children, marriages postponed to an older age and so on (see Blotevogel 1997). As for migration, two different consequences are obvious: first, the migration propensity is diminishing due to ageing of the population but, simultaneously, increasing because of a growing number of mobile single people. However, such phenomena are quite predictable in the long run. Willingness to migrate is more heavily based on individual motives and hence is subject to a relatively sudden change in a person's living environment. Migration pressure, in turn, is more closely a combination of individual motives, environmental qualities and barriers preventing a person from moving. The combination comprises three groups of factors whose combined effects may be more sudden and drastic than the sum of separate group effects. Economic depression, natural disasters and political instability may serve as illustrative examples. The causes and consequences of migration pressure, defined as done above, are often difficult to predict and manage.

According to Straubhaar (1993) and Schaeffer (1993) reasons for migration pressure involve economic factors both at the micro or individual level and macro or aggregate level as well as other socio-economic aspects. Schaeffer (1993) talks about internal and external changes on the micro and macro levels affecting the formation of migration pressure. These changes are of particular interest from the perspective of this study because they are directly related to pull and push factors existing both outside and inside the



borders of the EU. Internal change includes, among other things, the completion of formal schooling or training and other important stages in life when aspirations and responsibilities and society's expectations of the individual change significantly. According to Schaeffer (1993) the relative frequency of migration is highest at such junctures. External change affects, in part, the availability and attractiveness of migration opportunities. The change may be political, economic, legal, environmental, social and technical in nature (cf. factors on the macro level).

Some conclusions can be drawn from Schaeffer's argumentation. The factors on the micro level are related to individual motives, i.e. to expectations of something better for the future, and hence are likely to emphasise the role of pull factors. If an internal change like this plays an important role in a person's willingness to emigrate then the willingness cannot be realised unless the change matches demand from a potential destination, particularly demand for labour in the market of the potential destination. In other words, internal change tends to increase the selectivity of migration of skilled rather than mass migration of unskilled labour. External changes cannot be differentiated by selective and mass migration because a change in the availability and attractiveness of migration opportunities may markedly affect both of them.

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## **1.2. Migration propensity and formation of willingness to migrate**

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In the following we present structural and individual conditions for migration propensity in a country of origin, as well as some social factors which tend to turn migration propensity into willingness to migrate. It is quite obvious that it is only a question of a few selected factors (Table 1.1).

### **Structural conditions in a country of origin**

The structural and functional conditions in a country of origin control the opportunities for emigration: they may strengthen or weaken the probability of a migration decision. Combined changes of population and spatial structure (e.g. change of population structure in expanding cities) are usually rather slow in time. These changes are caused by the development of social and economic structures contributing to new basic and modified socio-spatial patterns of society. Their influence on migration propensity is re-

markable, usually not direct but through various intervening mechanisms by stimulating and networking social environment giving information about migration opportunities and encouraging migration as a way of solving problems or achieving better living and working conditions somewhere else.

*Population and spatial structures* are related to migration propensity in many ways. Let us start with various patterns of urban growth. First, an increasing *hierarchy of urban centres* expresses itself in the concentration of people and activities in certain areas. For example, Rokkan (1983, 35-39) talks about monocephalic and polycephalic urban systems. The former refers to an urban structure in a country having one largest city with major economic, social and often also political influence. The latter refers to an urban structure with many cities having more or less equally influential population and social and economic concentration. A monocephalic urban structure, such as that in Britain, France and Spain, tends, on the one hand, to concentrate migration flows of particularly skilled employees in the major urban centre and, on the other, create a popular gateway for emigrants and immigrants in the country (see Kultalahti & Karppi 1999).

Second, cities may be *specialised in certain industrial and social sectors*. This results in the growth and specialising of companies and other organisations. More employees are needed, likewise more specialised skills. A labour market with skills usable and needed not only in those cities but also in other regions and countries will develop. Conditions for lively migration fields are favourable.

Third, *the differentiation of population structure* by urbanisation rate seems to increase migration flows not only to large urban regions but also between them, and also further to other countries. Typically enough, large urban centres are often those with tight international networks with large cities in other countries. The population structure and the international nature of these cities with expanding networks generate conditions conducive to international migration.

Fourth, many developing countries suffer from *rapid and uncontrolled growth of large urban areas* offering no tolerable or decent living conditions for great numbers of the poor. A situation like this compels the illegal and clandestine immigration of those in the most miserable circumstances. Recent developments suggest that clandestine immigration has extended to concern the educated unemployed or unsatisfactorily employed workers in growing numbers (Fadloulah 1994).

*Table 1.1 Conditions for migration propensity and willingness to migrate*

**1. Structural conditions in a country of origin**

*1.1. Population and spatial structure*

- hierarchy of urban systems (cities)
- specialised industrial and social sectors of cities
- growth and differentiation of population structure
- uncontrolled growth of urban areas

*1.2. Education systems*

- educational opportunity: available to all social groups
- quality of education: high quality valued by social groups
- fields (specialization) of education: balance of demand and supply
- effectiveness of education: creates conditions for skill formation
- relationship of education and labour market: integration of education and apprenticeship

*1.3. Labour market*

- economy/labour market: big, modern, globalised enterprises
- industrial/company structure: horizontal, vertical, spatial hierarchy
- job structure: demand for and supply of labour does not meet in region
- segmentation of labour market: minor

**2. Individual attributes of migration propensity**

- age: young
- family status: single
- level of education: at least secondary
- field of education: business, technical, nursing
- occupation: in high technology
- employment: employed
- history of migration: moved

**3. Linkages between structural conditions and individual attributes**

- social networks: relatives or acquaintances abroad
- information channels: existing information on opportunities abroad
- person's ability to control own life
- relative deprivation: distribution of opportunities and welfare

**4. Motives of willingness to migrate**

*4.1. Pull factors*

- decent living
- career
- ethnicity
- ecological environment

*4.2. Push factors*

- famine
- war
- ecological catastrophe
- political persecution
- religious persecution

*Education systems* and labour markets are quite different in nature. Education creates transferable skills usable in different labour markets and cultures in other regions and countries.<sup>2</sup> The influence of education on migration propensity depends on, among others, the following intervening mechanisms: 1) *access to education* by various social groups, 2) *quality of education* by international standards and its appreciation by social groups, 3) *fields (specialisation) of education* to meet the demand for skills in globalising economies, 4) *effectiveness of education*, i.e. its capability to create and increase the knowledge and skills to respond to different and changing demand, 5) *integration of education and labour markets* to produce workers with transferable and innovative knowledge and skills.

From a wider perspective it is a question of the growth of a learning society and the mobility of competitive experts both in national and international labour markets. The influence of education systems is reflected in migration propensity by increasing both individuals' capabilities and the demand for their skills. In other words, both alternatives for the migration decision are increased and adaptation in a new and often strange culture is made easier.

If education systems work improperly or are ineffective from the point of view of all social groups, there will be growth in the number of inadequately educated and unskilled workers with no opportunity nor place on the markets of expert migrants. This does not show up in the immobility of these people, but their migration will decrease and assume different patterns. Migration will be based on push factors rather than demand for their contribution in the labour market in the country of destiny. Typical patterns could also be expected to have the characteristics of mass and clandestine migration. The conditions for mass migration would exist particularly when barriers weaken or disappear, whereas the probability of clandestine migration grows when willingness to migrate collides with preventive barriers.

*Structures of the labour market* control conditions for the migration of people of working age. A global economy increases the probability of international migration, as well as certain industrial characteristics, such as advanced high-tech sectors, large corporations and multinationals, labour markets with developed apprenticeship systems for students in their advanced studies combined with commitment to promote creative, innovative and knowledge-based skill formation. Flexibility and minor segmentation of the labour market work in the same direction. The opposite characteristics of the labour market tend to strengthen barriers to migration, hence increasing migration pressure.

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<sup>2</sup> For a thorough analysis on skill formation see Brown 2001, 1-55.

Education and training experiences together tend to strengthen the influence of pull factors in potential migration destinations offering a greater variety of options to potential migrants in risk.

## **Individual Attributes of Migration Propensity**

There is a number of factors affecting migration decision but *individual attributes* are always the most decisive. Individual factors determine the preference list of the choices available when the present situation demands change. As we earlier referred to some research observations, there are some properties, such as age (young), marital status (single) and others increasing an individual's probability to move. Factors on an aggregate level offer external conditions for materialising preferences. Migration may or may not be the preferred pattern of activity, but regardless of what the decision is, external conditions indicate realistic opportunities. For example, emigration may be the first choice on the list but the demand for skills in the labour market and/or the immigration policy of the destination country are among the crucial factors in realising migration decision.

## **Linkages between structural conditions and individual attributes**

Population and spatial structure, education systems, the labour market and the individual characteristics of potential migrants contribute to the formation of migration *propensity*. They are important and influential, but neither sufficient nor necessary conditions for the formation of *willingness* to migrate. Their contribution is strengthened by different intervening mechanisms, such as social networks, information channels, ability to control one's own life and relative deprivation.

*Social networks* extending abroad, in other words relatives, friends and acquaintances living abroad provide social support and information, making a potential destination attractive, whereas dissatisfaction and frustration push people out from the present locality. Social networks extending abroad and *information channels* are closely related to each other but still different in nature. Several studies have stressed the important roles of information, which decreases with distance, and the mental costs of separation from friends and relatives, which increases with distance; both of these will vary with educational level, age and cultural integration (Margolis 1977, 140). *The potential migrant's ability, power, to control his/her own life and rela-*

*tive deprivation* are also closely related. The former implies individual freedom to choose between desired opportunities. In other words, it makes a greater variety of alternatives available to a potential migrant. The term “relative deprivation” is widely used in studies on crime, deviant behaviour; poverty and social exclusion (see e.g. Merton 1957; Runciman 1966, 33-35; Giddens 2001, 207-208, 310-343). “While faced by the seductive lure of the market and consumer goods, young people are also confronted by diminishing opportunities in the labour market to sustain a livelihood. This can result in a profound sense of relative deprivation, and a willingness to turn to illegitimate means of sustaining a desired lifestyle.” (Giddens 2001, 331) The term can equally be applied to formation of migration willingness (e.g. Kul-talahti 1972). Instead of choosing “illegitimate means of sustaining a desired lifestyle” a potential migrant seeks for another locality to sustain or achieve a desired lifestyle. Experienced relative deprivation triggers a process of moving, makes one locality a better choice over the others and finally contributes positively or negatively to adaptation in the new environment. In the case of clandestine migration illegitimate means are chosen.

In sum, social networks give support and safety for a decision to move and serve as a condition for efficient information (channels), whereas inability to control one’s own life breeds dissatisfaction and frustration, resulting in a strong feeling of relative deprivation and an increasing probability of choosing migration as means for a desired lifestyle. It is a question of social processes linking emigration propensity/potential to emigration motives.

## **Motives of willingness to migrate**

In this article we have limited our analysis concerning the formation of willingness to migrate to only two groups of factors: first, selected structural conditions and individual attributes of migration propensity in a country of origin and second, selected linkages between the structural conditions and attributes. Naturally, the reality is much more complex than presented above.

First, we recall our specification of the terms *propensity* and *willingness* to migrate. They correlate empirically. However, according to our definition, they are different sides of the same phenomenon. The concept of migration propensity is closely related to individual’s personal ties to present living and working environment (*objective dimension*) and consequently one’s tendency to see migration as usable and practical means to achieve a goal in different circumstances. The concept of willingness to migrate emphasizes the role of preferences (*subjective dimension*) apart from ties to present locality. Thus, it is a relative concept whereas propensity is more absolute in nature.

For example, the young have a greater tendency than the old to see migration as a way to solve problems related to present locality. Nevertheless all young people are not willing to migrate; different incentives and stimuli are needed before the 'propensity' of young people *transforms* into 'willingness', that is before migration looks a better solution than, say, efforts trying to change circumstances in the present locality. The above mentioned linkages, such as a person's social networks abroad, information channels, ability to control one's own life and relative deprivation experienced by potential migrants serve as examples of such stimuli.

Structural conditions and individual attributes of migration propensity together with intermediating linkages are supporting conditions for this transformation. However, motives are needed before willingness leads to a real migration decision. Basically the motives are based on pull and push factors. Pull factors are such as economic survival efforts and aims for better living conditions, career promotion, and issues related to ethnic relations and ecological environment. Push factors are more forced in nature. Famine, war, ecological catastrophe, political and religious persecution serve as examples. It is not easy empirically to measure a person's real willingness to migrate. Basically it can be done by survey methods by interviewing people. However, opinions and attitudes expressed by respondents are usually combinations of different motives and intentions. This leads us to pay attention to the difference between real willingness to migrate and dissatisfaction with one's present circumstances. For example, an unemployed person would be likely to answer 'yes' to a question concerning his 'willingness' to work in a neighbouring country provided that there were no barriers to it. However, the answer would not necessarily indicate a real willingness to *emigrate* but rather a general willingness to *change the present situation*.

There is reason to suppose that this type of 'measuring problems' existed in a survey study commissioned by the Confederation of Finnish Trade Unions (SAK) and conducted by the Finnish Gallup a couple of years ago. The Estonian respondents were asked whether they were likely to work in Finland if Estonia joined the EU (HS 30.5.2002). The unemployed were among the most willing respondents to come to Finland, that is, among young people aged 24, students and Estonian Russians. It is particularly hard to conclude how many of the unemployed respondents will really act on their intention to immigrate to Finland.



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### 1.3. Formation and discharge of migration pressure

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*Migration pressure* is a combination of three factors; first, *propensity*, that is, objective likelihood of migration, and second, *willingness* to migrate, that is, subjective feelings about migration opportunity, and third, *barriers* preventing an individual from migrating. The stronger the conflict there is between willingness to migrate and barriers preventing a potential migrant from migrating, the stronger the migration pressure. This may sound straightforward but it includes certain difficulties in terms of empirical research; for example, how to measure willingness to migrate instead of measuring willingness to *change present circumstances*; or how to discern the real roles of different barriers in the formation of migration pressure.

There are several approaches in migration theories to recognise the terms described above. The following two theories serve as an example. According to Lee's (1969) classical theory each environment has both push and pull factors. Whether a potential migrant moves or not depends on the relative strength of these factors in the present environment and potential destination. However, there are also barriers to overcome between these two environments making the migration decision more difficult. Examples of the barriers include distance, social and economic cost and lack of information. The tension resulting from the conflict between push factors in the present environment, pull factors in a potential destination and barriers between the two environments is called migration pressure.

Another example concerns the use of the term "demand for migration opportunities" referring to a potential migrant's point of view. This term, as used by economists, implies willingness and ability to buy. In the case of emigration, demand theory implies substitutes for opportunities, for example the choice of the country of destination (Schaeffer 1993). There are different markets for migration opportunities between potential destinations. The demand for these migration opportunities depends on various issues, such as the circumstances of the potential migrant at home, the economic cost of migration, the characteristics of the destination country and expected status there relative to that at home. Again, a conflict between demand for and supply of opportunities results in migration pressure.

*Table 1.2. Formation and discharge of migration pressure (selected factors)*

**1. Migration opportunities into a potential country of destination**

*1.1. Social and legislative barriers*

- restrictive immigration policy
- hostile atmosphere towards aliens
- strange culture

*1.2. Barriers on the labour market*

- high unemployment rate
- absence of demand for foreign labour

*1.3 Change of migration opportunities and migration-decision*

- liberalisation of immigration policy
- expanding labour market
- transitional periods of labour mobility

**2. Nature of migration pressure**

*2.1. Migration as a voluntary and/or optional solution*

*2.2. Migration as a forced solution*

**3. Type of migration**

*3.1. Migration sequence*

- primary move
- return migration and other re-migration
- chain migration

*3.2. Duration of move*

- temporary migration
  - seasonal and other temporary work permit
  - studies
- permanent migration

*3.3. Migration distance*

- internal
- international

*3.4. Legality of move*

- legal/regular
- illegal/clandestine

## Migration opportunities in a potential country of destination

Barriers preventing migration may exist, and usually do, both in countries of origin and destination. However, they are basically different. Barriers in *a country of origin* tend to be related to migration propensity, that is, personal characteristics and family problems. Often they are related to a potential migrant's ability to control his own life. In addition, location-specific capital, such as local social networks, information, knowledge and skills, do not provide a person with means to compete on the labour market elsewhere. Emigration proves to be too heavy and improper an instrument for solving personal unemployment. The risk of remaining unemployed after migration, social and other costs caused by the move would be too high. Barriers based on personal and family reasons and the like are likely to create emigration pressure. However, such dissatisfaction and problems are more likely to be solved, if solvable at all, by other measures than emigration and at less cost. For example, a short distance move or other personal arrangements might be more appropriate.

Barriers in a *potential country of destination* are more categorical in nature than those in a country of origin. Totalitarian countries with minor or no individual control over migration opportunity naturally make an exception. The western market economies tightened their *immigration policies* in the early 1970s. Basically only asylum seekers, refugees, family members of those already in a country and small groups of experts with special skills were allowed to enter the country. Ethnic returnees and citizens of former colonies were also in a favoured position.

Thus, the immigration policies exercised in potential immigration countries have increased barriers and strengthened migration pressure. The role of immigration policy is strengthened everywhere in the market economies. The western market economies have observed practices in their neighbouring countries quite closely because the potential countries of destination are substitutes for each other. Tightening of immigration policy in one country tends to lead immigration flows to countries with a more liberal entry policy (see Widgren 1988). The USA has served as an historical example since the 1920s. The tightened immigration policy with quotas turned part of the immigrant flows from the USA to Canada. This happened to Finnish immigrants among others. Immigration policy has a two-way influence on immigrant flows; first, it increases the selectivity of immigration and, second, it decreases immigration in number. Certain quotas by country of origin or occupational skills are meant to control the balance between demand and sup-

ply of labour force. However, examples of some countries exercising such quotas show that such a policy may in certain circumstances be quite unsuccessful, as indicated by Tanner (2003) in his study on the development of immigration policies in Canada, Switzerland and New Zealand. In addition, immigration policy usually favours family reunion, implying an increasing number of children and unskilled people among immigrants.

The enlargement of the European Union by ten new member countries has brought about a new kind of situation. The EU emphasises the four freedoms, among which is the free mobility of labour force. However, the new Member States with lower living standards have created fears about mass immigration to the old Member States. All old Member States but the UK, Ireland and Sweden imposed restrictions on free movement of persons from the new Member States. This led to bitter expressions by some new members and, for example, the Czech Republic and Hungary threatened to put similar restrictions on immigration from other new Member States. The situation induce most obviously frustration among potential migrants and consequently strengthen migration pressure.

*Foreign culture* may also be a real problem for potential migrants, even for skilled and active immigrants and their families. For those with fewer resources the problems may become insurmountable. In practice, foreseeing problems before migration may turn out to be a real barrier preventing the materialisation of this migration decision. If strange cultural habits imply a *hostile atmosphere* in a potential country of destination, the threshold to emigrate rises sharply. Recently extreme right movements have kindled hostile attitudes towards aliens in many European countries, such as Austria, the Netherlands, Norway, Belgium, Germany, Italy and Denmark. For example, in Denmark, the government has supported restrictions and rules against immigration, turning refugees' hopes toward Sweden instead of Denmark (Aamulehti 28.5.2002). Trends like this tend to create obstacles not only for those with poor conditions to survive on the foreign labour market but also for those with competitive and modern skills. However, empirical evidence is scarce.

*A high unemployment rate* in a country of destination creates barriers for foreign labour force. Survey results show that foreign labour may cause a negative atmosphere even in occupational fields with a shortage of domestic skills (see Liebkind 1994, 2000; Salo-Lee et al. 1996; Pitkänen 1997; Jaakkola 1999). In Germany there were tough debates on recruiting foreign experts from India, Central and Eastern Europe and China during the hectic high-tech boom at the turn of millennium. A policy for that purpose was launched. The role of India was particularly emphasised in newspapers; the term Computer-India was widely used. A goal of recruiting 20,000 highly

educated and trained foreign professionals was often mentioned, while a shortage of as many as 100 000 foreign professionals was generally admitted. Opinions strongly in favour of recruiting high-tech immigrants were opposed by references to the high unemployment rate in the country. For example, Christian Democrat Party (CDU) exacerbated resistance by a demand for “children instead of Inder” (Kinder statt Inder). (HS 14.3.2000). For various reasons, such as a hostile atmosphere towards immigrants, a short five-year period for work permits and a language requirement, the final outcome of the policy for recruiting foreign skills was not particularly successful; in the early phase of the programme only about one thousand “high-tech immigrants” took advantage of the opportunity (HS 22.8.2000).

## Change of migration opportunities

In the following we look at the question from the perspective of the migration decision. We pay attention to how impulsive or deliberate the decision is. We call this view *the dimension of planned and reasoned vs. impulsive and sudden decision-making*.

Planned and reasoned migration decisions are likely to appear under stable circumstances and predictable changes. The likelihood of an impulsive and sudden decisions is much harder to predict. The likelihood will in principle grow in at least two entirely different situations. First, it will do so *in a stage of growing migration pressure*, that is when the conflict between willingness to emigrate and emerging barriers culminates and consequently tension increases. A situation like this makes it difficult for people at risk to evaluate the benefit-cost ratio of various reactions, which may be diverse. Because legal immigration is out of the question the likelihood of illegal and clandestine immigration increases. The situation may also lead to efforts to change a person’s present environment or to try to find another locality in the home country. In any case, growing migration pressure tends to increase instability in the locality/country of origin and to trigger impulsive and sudden decisions.

Second, an impulsive and sudden decision-making is likely to occur when the above mentioned *conflict is suddenly resolved*. A relief of migration pressure may be caused by rapid weakening of either barriers or by willingness to migrate. The latter may apply to individual cases rather than to all those at risk. Change of motivation, attitudes, usually requires a longer time. For example, in the new Member States of the EU, weakening of motives to emigrate is expected along with rising living standards over a long period. But rapid weakening of barriers may happen more suddenly. A country may

launch a more liberal immigration policy in order to meet a shortage of labour in a certain sector. A major alleviation of pressure is likely to encourage rapid decision-making without sufficient information and careful consideration.

In the early 1990s absolute and relative survival problems caused by declining economies in the transition countries were likely to push people to emigrate. At the same time domestic barriers mainly disappeared but restrictions imposed by the western economies prevented people from moving. The latter option, the disappearing of the barriers in potential destination countries, will become particularly interesting now that the transition countries under observation joined the EU. *The likelihood of fast decisions increases, leading to a great need for remedial moves within the country of arrival, to another EU country or back to the home country.* Much depends on the extent to which differences between living standards have diminished between countries of origin and destination. The logic presented above suggests that based on removing of obstacles many of the early migrants are so-called impulsive and sudden decision-makers calling for some kind of remedial moves. They might be called *precipitate migrants* with tendencies to impulsive and sudden decisions.

The enlargement of the EU and weakening of barriers is a complex issue in terms of migration pressure. In principle all barriers to free mobility of the labour force are supposed to be removed when a country joins the EU. However, the old Member States wanted to protect their domestic labour force by establishing a restrictive immigration policy for a transitional period starting from the day of the enlargement, the first of May 2004. The free movement of labour from the new Member States to the old ones will be postponed by a few years (see CEC 2006).

The transitional periods created a new and interesting situation. It was not only a question of postponing the free movement of labour force. It also tended to create a new sensitive period with suspicions, negative attitudes, irritation and frustration mainly in new Member States towards the old ones, but also to some extent in the old Member States towards the new ones. The latter is a kind of attitudinal entrenching behind fears of losing jobs to foreign labour. The situation was exceptional, and for new members difficult to justify. Ignoring the problem of justification one may ask about the real importance of transitional periods in terms of migration pressure. Most probably the periods strengthened migration pressure for at least two reasons: first, denial of anticipated right in itself is hard to tolerate, and second, the transitional period applied to only one freedom, other integration processes went on, obviously exacerbating inequality in mobility of labour. Consequently, the removal of the barrier after the transitional period may be even more

drastic in its effects, and according to the above argumentation the impulsive and sudden migration decisions can be expected. *If this happens, it will mean that quite often the first move into a country will be followed by one or more remedial moves, either within the same country, to another EU country or back to the home country.*

However, the consequences of the transitional period are not clear or straightforward. The economies of new Member States are expected to develop approaching, at least to some extent, those of old Member States. The economic development will create increasing demand for domestic labour. Motives for emigration may decline. Despite the transitional periods, under various agreements the economic integration within the whole EU increased to some extent the mobility of labour from new Member States. Migration pressure did not necessarily grow in importance during the transitional period but in some cases even opposite developments are possible.

## **Nature of migration pressure**

Referring to the above discussion, the concept of migration pressure is complex and ambiguous, including many and varied dimensions. One way to approach the analysis of the dimensions is to categorise the reasons for migration. Naturally, even this can be done in many ways. However, a reasonably clear and simple way is to start by making a distinction between *voluntary* and *forced* migration. The former means that emigration is *one possible reaction* among the others, whereas the latter implies a *necessity* to emigrate in the absence of viable alternatives. Deviating from common practice, we can call the former an “alternative emigrant” referring to other choices available, and the latter by a widely used term “forced emigrant”.

As earlier defined, migration pressure is based on the conflict between willingness to emigrate and barriers preventing a potential migrant from moving. Migration pressure may be felt by a potential migrant even though emigration is not the only solution available. Emigration may not even be the best choice; migration pressure may develop if emigration is one of the attractive alternatives, provided that barriers prevent or impede migration.

Migration pressure may be attributed to various strivings, ambitions and necessities, such as those related to *living, career, ethnicity* and *ecological environment*. Discharge channels of migration pressure, that is types of migration, depend on the attributes of the pressure. In analytical terms it is often difficult or impossible to distinguish between various attributes, barriers and consequent forms of migration pressure. For example, a potential migrant's career advancement may be foiled by the immigration policy and/or

absence of demand for the one's skills in the country of destination or barriers in the country of origin.

As for the eastern and central transition countries in the 1990s, the importance of different attributes to migration pressure has varied over time. After the collapse of communism in the early 1990s migration pressure related to *survival and decent living* was probably the most important. Survival problems were exacerbated by relative deprivation caused by wide differences between the living standards of the western market economies and the transition countries. The role of the pressure related to *career advancement* grew in importance since the late 1990s due to a gradual growth and modernisation of industry. Foreign investments increased, joint ventures were established and transnationals moved in. The need for international experiences increased, but the situation was not favourable for international career promotion because of a shortage of the competitive skills needed on the globalising labour market. Pressures related to *ecological environment problems and ethnicity* are by definition clearer than the above mentioned but in content they may be complex and far from clear. In the following we do not focus our attention on the question of ecological environment or ethnicity but instead on the dynamics of selected voluntary migration.

## Type of migration

The logic described above provides an interpretation for the primary trends of discharge of rapidly mounting migration pressure. Those potential migrants planning their *primary (first) move* are likely to have a higher threshold to emigrate than those having a long migration history behind them. The greater the differences, cultural and others, between countries of origin and arrival, the higher the threshold. In other words, big differences between the countries of origin and destination strengthen the tolerance of migration pressure. *The likelihood of the primary move being based on a precipitate decision is not great, but if it is the case and a person emigrates, the likelihood of remedial move(s) is high.*

*In international migration, precipitate migration is more probably related to the possibilities of making a living than those of promoting a career.* The conclusion derives from the fact that those trying to advance their careers have quite likely gone through one or several earlier internal moves before the potential emigration. Studies, practical training and entering the labour market often require migration from one locality to another. In addition, *career related moves* are usually materialised within a network, such as networks of universities and employers. *An ethnic move is often in the nature of*



*primary or return migration* and is most probably a migration of groups or is encouraged by information and incentives based on social networks of relatives and acquaintances. Naturally it does not necessarily imply that the first destination of immigration will be a place of a long or permanent sojourn. However, various studies indicate that the first destination is a community of relatives and acquaintances (e.g. Castles & Miller 1998, 19-47; Kultalahti 1998), yet *remedial moves* between communities of relatives and acquaintances or after a new or better job are not unlikely. Finally, migration caused by ecological problems differs clearly from career related migration; it is not related, not at least as closely, to existing networks. In that sense it is similar to migration originated by survival problems.

As for the legality of a move, *legal and so-called regular migration* is most probably mainly based on a planned and reasoned decision with information and consideration, whereas *illegal and clandestine migration* is more impulsive and sudden in nature.

*Re-migration* may be either *return migration* or *further migration*. Both internal and international return migration have been quite widely studied (cf. Kero 1972; Virtanen 1979, 1980; Korkiasaari 1983, 1986; Greenwood 1997; Lucas 1997; Lalonde and Topel 1997), the former perhaps more thoroughly than the latter. As for *internal return migration*, explanatory variables have been various, including age, education, information available, economic situation and distance. What is interesting is that economic reasons are not as important for returnees as for other migrants. The same also seems to apply to *international migration*.

Finally, a few words about *chain migration* and migration pressure. By chain migration we refer to a process including several moves triggered by one move. The process goes as follows: a move by person A leaves a vacant job demanding another employee, person B. The vacant job left by person B also calls for another employee, person C, and so forth. The process may be quite long. Although some of the vacant jobs may be filled locally, without any move, some of new employees may come from other localities or countries. *The higher and the more specialised knowledge and skills a job demands, the larger and the more extensive is the recruiting market in terms of distance*. Consequently, it is obvious that in the modern high-tech information society chain migration is becoming increasingly popular.

Chain migration is often based on networks of employers because it is typically connected with career advancement or other job mobility. The employer may help in finding a dwelling and a job for the spouse or in getting a work permit in another country. If this is the case, obstacles to moving are minor or non-existent. However, there may be some side-effects, migration pressure generated by unsuccessful applicants from other localities or

abroad. This is probably true if the vacant job is located in a country having a higher living standard than that in the unsuccessful applicant's own country. Such situations were typical in the transition countries in the 1990s, the education systems and the labour markets – and employees - were not competitive on global international markets.

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## **1.4. Summary and discussion**

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Let us briefly summarise the causal chains from change of the sub-systems of a society through the formation of migration pressure to the types of migration (Figure 1.1) that are more widely discussed above. First, it should be emphasised that only selected aspects have been chosen to illustrate the complexity of the factors and interlinking processes of the analytical framework.

Population structure particularly in certain rapidly growing urban areas is a basic condition for the formation of migration propensity. In relative terms, people are young and single. Education systems are the most developed in the nation and many of the employees have been educated working in internationally competitive industrial sectors and occupations. The labour market is the most global in the country, and in various forms also a target for foreign investments. The employment rate is high and many of the employees have moved to the region from somewhere else. People are mobile. In less developed areas and small communities the situation is often quite the opposite. Given certain differences between countries, the general picture presented above is fairly universal. We call these structural conditions and individual characteristics of people migration propensity. In sum, migration propensity is often highest in the largest urban region.

Some linkages are needed to transform migration propensity (objective dimension) into strong motives to migrate (subjective dimension). The following linkages serve as examples. Social networks extending abroad and information channels both give potential migrants support and information about the country of destination and thus tend to strengthen people's readiness to migrate. Potential migrants' ability to control their lives and relative deprivation are closely related. Lack of controlling ability and high relative deprivation increase frustration strengthening motives to seek another locality and/or country to live. The willingness is fuelled by various motives based on pull and push factors, such as living standard, career advancement (voluntary pull factors), and various suffering and catastrophes (involuntary/forced push factors).

Social networks have a twofold effect on the formation of migration willingness. Intensive and tight social networks in the present living environment tie people to the present locality rather than encouraging them to emigrate. The networks promote people's opportunity to survive and be better off, which discourages them from trying other opportunities. Social networks extending abroad, in other words relatives, friends and acquaintances living abroad, the opposite effect (see Karppi and Rantala 1998; Rantala 2002). They provide social support and information, making a potential destination attractive, whereas dissatisfaction and frustration push people out from the present locality.

A move from one locality to another, not to mention from one country to another, is always a process requiring a migrant to overcome different barriers. In international migration, the most essential barriers are often those in the country of destination. Those barriers contribute quite similarly to the formation of migration pressure as do linkages to the strengthening of motives to emigrate. People who would be ready and willing to migrate are not able to do so because of different obstacles in the country of destination, such as restrictive immigration policy and absence of demand for foreign labour. The stronger the motives to migrate and the stronger the barriers preventing people from moving there is, the stronger the migration pressure. The migration pressure may be based on voluntary or optional goals, or it may be involuntary and forced in nature.

## Factors/Characters

## Processes/Dynamics

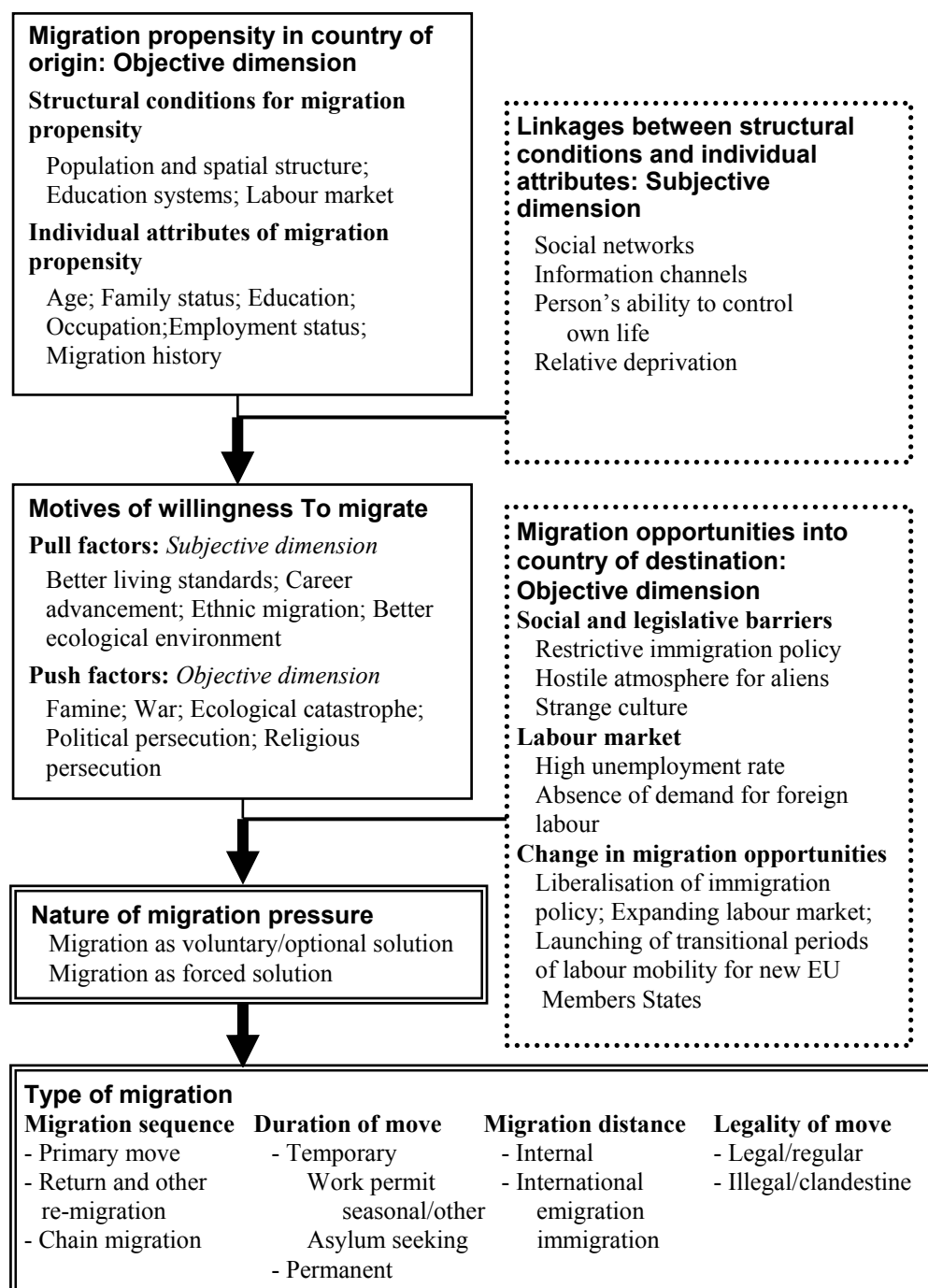


Figure 1.1. An analytical framework of research on migration pressure (selected aspects).

In the following we formulate migration pressure as a function of migration willingness and migration opportunities. This essentially concerns subjective, experienced migration pressure. This can be expressed briefly as follows:

$$MPRS_i = f(BC_{odi}, MW_i) \quad [1]$$

where  $BC_{odi}$  refers to potential barriers both in country of origin ( $CO_i$ ) and destination ( $CD_i$ ) preventing person  $i$  from migrating (see 1a) and  $MW_i$  refers to a potential migrant's  $i$  willingness to migrate (see 1b).

$$BC_{odi} = f(CO_i, CD_i) \quad [1a]$$

and

$$MW_i = f(ERN_i, CR_i, ETH_i, ECL_i) \quad [1b]$$

where  $ERN_i$  refers to motives based on problems of earning one's living in the present environment and/or anticipated better income in another country,  $CR_i$  to opportunities for career advancement,  $ETH_i$  to ethnic relations (often concerning return migration), and finally  $ECL_i$  refers to migration pressure based on deterioration of present ecological environment.

Naturally, the components of the above formulations are only examples, but nevertheless illustrative. The components are groups of different factors rather than detailed components. However, referring to the formulations we are able to pay attention to the dynamics of the migration decision, which is ultimately a function of migration pressure, as suggested above. We have to look at the differences between the countries of origin and potential destination, individual characteristics of potential migrants, different processes resulting in motives to emigrate. Some factors encourage migrating, some factors do the opposite. Typically, there are always components and groups of components which tend to dominate the others. Some of other components support the dominating one, some are indifferent and finally some tend to mitigate the influence of the dominating components. The more the other components strengthen the influence of the dominating ones, the more migration appears an attractive or even the only alternative. Career advancement and a better paid temporary job abroad serve as good examples of factors supporting each other. Similarly, ethnic return migration may imply a change to an ecologically better environment. There are different examples, too. Career advancement may require a temporary and more poorly paid job

abroad. Migration may not look attractive at the moment because pay-off can be expected only later.

Economic incentives undoubtedly play an important role in migration decision-making. There are a great variety of studies on the effects of immigration on the income levels of both immigrants and indigenous employees but the results are far from unambiguous. They vary depending on target groups and countries. Follow-up of income change would require expensive and time consuming panel tracer studies or the use of unreliable retrospective study through recall of respondents (see Lucas 1997, 769-775). Some studies have suggested that the incomes of recent immigrants are lower than those of indigenous people or immigrants who have stayed longer in the country. This applies particularly to earlier permanent immigration. More recent immigration by skilled and educated people is different in nature. Typically newcomers' incomes have not dropped after immigration; instead their incomes are often even higher than those of indigenous people.<sup>3</sup>

Whatever the nature of migration pressure, it demands a solution, discharge in one way or another. It is interesting how the situation is handled. If migration pressure is high and no circumstances change, the likelihood of clandestine migration increases. But if either a potential migrant's individual position changes or circumstances at a potential destination change, there are several different possibilities. Basically these depend on change in any factors and processes leading to migration pressure. The change may include economic growth in the country of origin, the education of a potential migrant, or expanding social networks.

Our analytical framework ends in migration flows, that is, the types of migration. While we pay attention to this aspect of human mobility it should be born in mind that migration flows are actually only one aspect of the phenomenon; irresolvable migration pressure may lead to other reactions, such as efforts to change present living circumstances, alienation, deviant behaviour and so forth.

The types of migration presented above are categorised by migration sequence, duration, distance and legality. Migration sequence refers to primary, return and other re-migration and chain migration. A primary (first) move has usually a higher threshold than re-migration; the tolerance of migration pressure is high. Hence a primary move is likely to be based on careful previous consideration. A person's first move is usually internal migration; the person moves temporarily or more permanently from one locality to another within a country. If high migration pressure leads to an impulsive and sudden migration decision the likelihood of remedial move(s) is high. Similarly, career related emigration is often remigration with one or several

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<sup>3</sup> On American-Finns see Kultalahti 1990.

Similarly, career related emigration is often remigration with one or several preceding moves. Ethnic migration is equally primary move or re-migration depending on the situation. Remedial moves are likely to be needed if a migration decision has been made impulsively under high migration pressure. Finally, chain migration is becoming more and more popular in the global labour market.

In our analysis we have paid attention to certain aspects which are quite obvious. Although most conclusions are based on research literature, some are only logical deductions without accurate empirical evidence. The potential usefulness of such a framework can be indicated only by empirical applications. In the following we shall briefly analyse Estonian changes in the 1990's in the analytical framework presented above.<sup>4</sup>

The 2000 and 1989 census data show *the change in the total population* since the last years of the Soviet era. Population de facto decreased by 13.7 percent from 1989 to 2000 (SOE 2001a). Reason for the decline is emigration and negative natural increase. Consequently, the average age of the population has increased. The population of the capital, Tallinn, decreased mainly due to Russian emigration. However, Tallinn has always played a central role in the urbanisation process of Estonia. Its population accounted for 29.2 percent of the total population in 2000. A survey study suggests that if unregistered migrants are included, Tallinn gains a great net migration in the 1990s (Sjöberg and Tammaru 1999). Referring to their survey results, we can conclude that potential emigration pressure depends to an increasing extent on urban mobility in the future. *The growth of the urban system in Estonia is likely to strengthen international migration in the country.*

In Estonia *the education system* went through dramatic changes after the restoration of independence at the beginning of the 1990s. The results can be seen in growing figures: the number of public universities, private and state education institutions rose from 22 in 1993/94 to 33 in 1999/2000, the number of students from 21 to 30 thousand, mostly in private institutions (from two to twelve thousand students), the average school life expectancy rose from 13.2 years in 1992 to 15.9 years in 1999, and so on (SOE 2001c). Estonian labour force (employed) is relatively well educated; about every fifth had university-level education and every tenth had non-university tertiary education in 2000 (SOE 2001d).

However, as far as a growth of a skills society is concerned, the situation concerning *the functioning of the education system* was not entirely simple. An increasing part of programmes (45% in 1999/2000 compared to 28% in 1997/98) in the education institutions have become subject to fees. This can

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<sup>4</sup> For a more thorough discussion see Kultalahti 2006.

be interpreted positively to show that the increased number of paying students indicates a growing appreciation of education among young people, as has been done by several Estonian studies (SOE 2001c, 30). A negative aspect, however, is that the fees limit access to education in these institutions to those who can afford to pay the fees. Another problem might also be the increasing gender imbalance in higher education. Women account for a much larger proportion of the total number of the students admitted to the institutions and their number among the graduates is also disproportionately high both in absolute and relative terms. The same tendencies appear on all levels of higher education: on the bachelor courses and on the master's and doctoral levels. The increasing gender imbalance is also linked to a large number of students, particularly boys, leaving school before completing even basic education.

There are still some other trends raising questions about the perfect consensus concerning the role of education in society as a whole: first, the major changes in the educational distribution in the sectors of economy, economic activities and occupations occurred only in the mid-nineties, later the changes were minor; second, the proportion of the employees with non-university tertiary education was somewhat larger among the non-Estonians than the Estonians in the late 1990s (SOE 2001f, 193); and third, vocational education does not enjoy particularly high prestige (see SOE 2001e, 29). The first observation may only refer to a temporarily 'latent' phase after the necessary radical reforms, however, it also indicates a lag in the efforts to build the Estonian skills society. This interpretation is supported by the second observation about the difference, if only a small one, between the Estonians and non-Estonians; more effort is needed to redress the bias left by the Soviet regime. The last mentioned interpretation is based on several observations; for example young people seem to be relatively poorly informed about the changes in the demands of the labour markets, obviously due to the inefficient information systems. Other major shortcomings of vocational education are as follows: insufficient prognosis of the trends and developments, inefficient use of the information available, and a strict and centralised system of administration (SOE 2001e, 29).

Industrial structures and labour markets went through a dramatic change in Estonia in the 1990s. Trends in transforming corporate structures and networks reflect a transition economy. Entrepreneurship was most needed in the typical fields of a market economy. Accordingly, the number of salaried workers decreased whereas that of self-employed people increased. What is a special feature in the Estonian development is the small size of the enterprises; two thirds of the enterprises have fewer than five employees and only half a percent had more than 200 employees. In more detail, the number of



entrepreneurs with fewer than five employees almost tripled (127 percent) from 1995 to 2001, while that of entrepreneurs with more than twenty employees decreased by 29 percent (SOE 2002, 397).

These trends refer most likely to two aspects in the development of the Estonian economy: first, *the economy is still looking for a more stable and competitive structure in the global economy*, and second, *the globalisation of the Estonian economy was still at a preliminary stage*; the large share of small enterprises provides conditions for a development of linkages between companies, i.e. the development of a network economy within the country. However, at the same time the small number of large companies means barriers to the development of international networks. As to migration, a high level of entrepreneurship is likely to tie people to their localities rather than to encourage moving. The hypothesis applies particularly well to emigration.

*The role of the state as an owner decreased*, as did that of local government. The number of private entrepreneurs grew from 27 thousand in 1995 to almost 50 thousand in 2001 (SOE 2002, 395). The number of foreign entrepreneurs grew by a quarter in the same period, from two thousand to two and a half thousand.

Due to rapid changes and scarcity of information it is difficult to estimate inflexibility and segmentation of the labour markets. As for Estonia, it is reasonable to assume that rapid changes decreased conditions for segmentation. However, the Estonian labour markets polarised into segments of high and low skills, quite similarly to what occurred in many other countries. This development expressed itself in an increasing number of short-term jobs, rising unemployment rates and part-time employment (both voluntary and involuntary) and in decreasing labour force participation (SOE 2001e, 35-58). Part-time jobs increased particularly among women, whereas those with low occupational qualification suffered most from unemployment. The increase of short-term jobs refers obviously to the changes of the structural characteristics of the labour market, whereas the unemployment and labour force participation rates are consequences of the transforming structures. This development is fairly similar to those in the labour markets in the western European countries (for Finland, see e.g. Kultalahti 2001).

The labour force is ageing due to the decreasing fertility and increasing mortality. However, there are other reasons, too. The share of pensioners increased steadily in 1990-1995, as older people found it difficult to cope with the rapidly changing labour market of the transition economy. The retirement age gradually raised in the late 1990s, reducing to some extent the share of pensioners among the inactive people. It was likely to slow down the decline of the number of labour force. However, growing enrolment in studies increased the number of inactive people among the youngest working

aged people particularly since 1997 (SOE 2000). Another reason for the ageing labour force is a high unemployment rate among younger people. This trend was quite similar in the Czech Republic and Slovakia (see e.g. European Commission 2003, 61-65). In all, the development unavoidably contributed to a relatively rapidly ageing labour force.

*The working ability of the labour force showed some negative trends in the 1990s.* Health was one of the most important general reasons for declining labour force participation; the number of those inactive because of a disability or disease doubled during the 1990s (SOE 2000). More specifically, the decrease was greatest among older people aged 50-74 (from 58.4 percent in 1990 to 44.2 percent in 2000) and among the youngest aged 15-24 (48.8 and 41.8 percent respectively).

*Labour force participation* is another side of the phenomenon. The total number of jobs and the labour force participation rate declined quite steadily during the decade. The unemployment rate turned to an increase in the beginning of the 1990s. It rose from practically zero to more than thirteen percent in the turn of the century (SOE 2001b, 202).

Which is perhaps the most interesting feature is *the growing number of discouraged persons*<sup>5</sup>. This can be interpreted not only as a worsening situation on the labour market but also as an alienation from society. Alienated people do not trust their own chances to cope with the demands of society and they have given up even trying. The number of discouraged persons increased steadily (with the exception of 1997) from about four thousand in 1990 to almost 25 thousands in 2000. The increase was greatest in the rural areas and among middle-aged and elderly people (SOE 2001d, 21).

The trends described above tell a story about the consequences of the radical change during the transition period towards a market economy. The structural change from the agrarian and heavy industrial society towards a post-industrial economy with expanding sectors of service and information technology implied a thorough change of the job market. The internal change of the job markets was accelerated by foreign investments in the form of establishing multinational companies and joint ventures. This development created jobs for educated and highly-skilled workers. It also added to chances of national and international mobility in the internal and external labour markets. The chances were associated, among others, with the growing markets of multinationals and the increasing competitive capacity of skilled workers in the international labour markets.

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<sup>5</sup> Discouraged workers are non-working persons who would like to work and would be available for work as soon as there was work, but are not actively seeking work because they do not believe in the chance of finding any.

There was another important change related to the development of the labour market in Estonia. The economic situation and social security worsened during the first years of the transition. The figures measuring economic activity suggest that the changes went deep in citizens' lives; the society turned to an increasing polarisation. The radical change offered incentives to active people to become entrepreneur but, at the same time, many felt the situation as one to make them passive. The figures showing the decreasing labour force participation rates are the ones referring to a growing passivity. This could especially be seen in the rural areas and among less educated people. On the other hand, activity increased among the younger and educated people in cities. It can briefly be summarised that the role of illness, disability and discouragement grew in importance, whereas that of pregnancy, maternity and parental leaves declined in the late 1990s. These trends give a somewhat polarising and perhaps gloom picture on the development of the Estonian society.

This conclusion is supported by an unequal income distribution among Estonian workers; for example, in the mid-1990s the distribution of income was clearly more unequal in Tallinn than in Prague and Bratislava. What is even more interesting is that taxation has a raising effect on the inequality rather than the opposite in Tallinn. In Prague taxation levelled quite effectively off income differences, as it did to some extent in Bratislava, too (and Rantala, Chapter 2 in this book).

Now we can put together the main observations presented above and try to interpret them using our analytical framework. The development in the 1990s brings up certain factors which tend to increase mobility of the labour force. The following serve as examples: an increasing role of the capital, Tallinn, in the economy, strong efforts to develop educational institutes to meet needs of the global labour market, internationalisation of industries, foreign investments, the rapidly changing labour market, an increasing number of educated professionals and engineers in the field of high technology and strongly expanding availability of internet. These are indicators of an increasing migration propensity. In addition, gradually expanding social networks abroad with social support and information, particularly in Finland, create migration opportunities.

However, there are opposite trends which tend to weaken the mobility. For example, the ageing population and labour force, weaknesses of vocational education, a strong growth of micro-sized entrepreneurship with location-specific skills tending to tie people to their present locality. Unemployment, inactivity, alienation and polarisation work strongly in the same direction. Altogether, there is a good reason to assume that structural and individual conditions for a high migration propensity are not strong.

As for the effect of the linkages between the structural and individual conditions, social networks (cf. ethnic immigration), information channels and big differences of living standards, that is relative deprivation, are likely to strengthen motives to emigrate. On the other hand, due to the polarised society a great part of people are not particularly capable to control their lives and hence their likelihood to emigrate is not high. There is a good reason for a hypothesis that educated and skilled workers on the one hand and unskilled and frustrated people on the other hand are willing to emigrate in increasing but still rather modest numbers. According to the above analysis there seems to be poor conditions for mass emigration. Latest news suggests that the great income differences between Estonia and Finland attract some manual workers for temporary jobs in Finland. A couple of years ago, one of the biggest labour suppliers in Tallinn had a register of job-seekers who were interested, among others, in temporary jobs as florists, waiters and construction workers in Finland. Even under the transitional arrangements the Finnish legislation allowed a free mobility of rental labour force, so Estonian companies were able to rent labour force for Finnish companies (see HS 5.4. 2004) immediately after the enlargement of the EU.

The 2004 enlargement of the EU was expected to change the migration fields in Europe. The EU15 (old Member States) imposed restrictions on free movement of persons from EU10 (new Member States) for a transitional period of a maximum of seven years. Only Ireland, Sweden and the UK did not apply restrictions after May 2004. A European Commission report published on February 8, 2006 shows interesting facts about the influence of the restrictions (CEC 2006). Statistics provided by all Member States, except Luxembourg and Cyprus, show that there has been an increase in the number of EU10 workers in old Member States but the relative impact is rather limited. Furthermore, the number of resident and work permits overestimates the actual number of EU nationals that have settled in the host country, because it does not take into account people returning to their countries of origin. What is particularly interesting is that flows into the UK and Sweden, which are Member States without restrictions for EU8 workers (Cyprus and Malta not included in these statistics) are comparable to those in countries with transitional arrangements. Factors related to supply and demand conditions are more important than transitional arrangements. According to the report, restrictions may have negative effects: transitional arrangements may delay labour market adjustments, with the risk of creating “biased” destination patterns even on a more permanent basis, and they may exacerbate resorting to undeclared work.

The report also examines the sectoral and skill composition of the workers from new Member States in old Member States. As for the sectoral composition of the workforce, there has been no significant change in 2003, 2004 and 2005. Workers from new Member States are, when compared to country nationals, relatively better represented in the construction sector. An important conclusion is also the view that nationals from new Member States contribute to national economies in a complementary way. The conclusion is drawn from the fact of a higher percentage of medium-qualified people among EU10 nationals than that among EU15 nationals in the EU15 Member States (57% as opposed to 46%). Medium-level qualifications include upper secondary education and specialised vocational training, the qualifications typically under-represented in several old Member States.

In addition to the above, the report concludes that mobility flows between new and old Member States are very limited and are simply not large enough to affect the EU labour market in general. The employment rate of EU10 nationals in old Member States is similar to that of country nationals, even higher in Ireland, Spain, and the UK. The employment rate has increased in several countries since enlargement. This has been contributed by the formalisation of the underground economy constituted by previously undocumented workers from new Member States. Finally, enlargement has not shown evidence of crowding out of national workers by the limited inflow of workers from new Member States at national level – however, there is no information concerning regional and occupational levels.

The overall picture of workers' mobility from the EU Member States in Central and Eastern Europe to the EU15 is positive; immigration flows have had mostly positive effects, and numerically less important than foreseen. National restrictions have had little direct effect on controlling workers' movement. There seems to be no direct link between transitional arrangements in place and the magnitude of mobility flows from new Member States.<sup>6</sup> Actually, countries that have not applied restrictions after May 2004 have experienced high economic growth, a drop in unemployment and a rise in employment.

As a conclusion drawn from the results presented in the report the Commission recommends that the Member States carefully consider whether the continuation of these restrictions is needed. The report has had an impact on governmental decisions in the EU15 Member States. For example, the Finnish government decided in its meeting of February 10 to open the Finnish

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<sup>6</sup> Report on the Functioning of the Transitional Arrangements set out in the 2003 Accession Treaty (period 1 May 2004-30 April 2006)

labour market to EU10 workers in May 1, 2006. The Finnish parliament passed the law on March 2006.

There are some more detailed statistics concerning immigrant flows to the UK, Ireland and Sweden, the only West European countries to open their labour markets to the new Member States of the EU. More than 375,000 have registered to work in Britain, Ireland and Sweden since the EU enlargement in May 2004.<sup>7</sup> However, in relative terms, only in Ireland was the change considerable. 375,000 East Europeans have registered to work in these countries from May 2004 to August 2005. About two-thirds of the newcomers moved to Britain. Immigrants were mainly from Poland (131, 290), Lithuania (33,775) and Slovakia. The rest of the newcomers came, in this order, from Latvia, the Czech Republic, Hungary, Estonia and Slovenia. In Britain, they work as bus drivers, farmhands and dentists, as waitresses, builders, and saleswomen. The consequences of this influx are positive; unemployment is still rock-bottom at 4.7 percent, and economic growth continues apace. Experiences in Ireland are as positive. The phenomenon is more subdued in Sweden. All in all, these experiences are on line with the EU report. Naturally, the story does not tell about the impacts of immigration flows on the countries of origin. One of the basic questions is whether migration flows of people and skills will be more balanced so as to support growth both in countries of origin and receiving; that is the main target for free movement in the EU.

Whatever the consequences might be, the forthcoming situation raises a question about the nature of migration pressure and particularly the reactions of those willing to leave their home country temporarily or more permanently. Will the decision-making be impulsive and/or sudden in nature or will most of potential migrants stay calm and plan carefully their reactions under the existing restrictions? What will happen after the transitional stage? Does this “extra irritation and frustration” guide the forthcoming solutions and if, how? Much will probably depend on economic and social development in a new Member State. A strong economic development levels off emigration pressure but an unequal distribution of prosperity and human opportunities tends to increase it. When legislative restrictions disappear, social restrictions remain particularly among inactive and alienated population groups.

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<sup>7</sup> International Herald Tribune, 21.11.2005, referring to Britain’s Home Office, Dept. for Work and Pensions, HM Revenue and Customs, Office of the Deputy Prime Minister.

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# IN SEARCH OF STRATEGIC GROUPS FROM TRANSITIONARY LABOUR MARKETS – A METHODOLOGICAL APPROACH<sup>1</sup>

ILARI KARPPI AND HEIKKI RANTALA

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## 2.1. Introduction

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This chapter introduces a statistical procedure to search for a strategic key actor group whose proportional size in a given population is expected to be relatively small. The article has three functions. It 1) describes a technical sampling procedure, 2) discusses the practical arrangements needed for the acquisition of interview and survey data and 3) briefly appraises the success or “goodness” of the sampling procedure by tentatively looking at its outcomes against certain economic indicators.

The methods and procedures described here were the main quantitative instruments in determining the structure of the data analysed in several of this volume’s chapters. Another major effort, the actual collection of data as an intensive exercise with a data-collection team representing five nationalities and even more ethnic backgrounds, is briefly reviewed in another part of

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<sup>1</sup> Designing and carrying out large empirical research processes requires a great deal of teamwork. The entire data collection set-up – the actual search and selection part of which being described in this article in a somewhat technical form – was jointly planned by Olli Kultalahti, Ilari Karppi and Heikki Rantala. The authors wish to thank Prof. Kultalahti for his remarks and suggestions for formalisation of the sampling procedure.

this volume. The particular aim of the process described in this chapter was to seek and find groups with a particularly structured willingness to emigrate from a broader population base.

As mentioned, the method was constructed in order to identify small special groups for closer scrutiny – groups that are likely to be engulfed by a huge majority of the population, becoming hence “concealed” by it. As will soon be shown, the point of departure was almost excessively cautious. The share of those willing to emigrate was not at all that small, at least in all of the populations studied. If this research had been carried out only in Prague and Bratislava, the effort put into designing the sampling method might not have been worth the resources used – or this is how it appeared for a while. On the other hand, in St. Petersburg the team ultimately encountered data problems and it was necessary to collect the data from a more focused population, but clearly more randomly. In Tallinn the method was used in a setting where the share of those willing to emigrate *was* small, as expected.

However, a basic research project being in question, the sampling procedure itself has been a part of the scientific endeavour. Hence it, too, has inseparably become a subject of critical reflection. Finally, the method designed and described here should be of use in charting several kinds of complex issues in which items of strategic content need to be set apart from among a surrounding population that stands for that content in lesser degree.

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## **2.2. Basic assumptions concerning the problem to be scrutinised**

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The process through which European transition economies – former planned socialist economies – started to integrate with the developed market economies in the early 1990s added interaction between the two halves of Europe, separated by the aftermath of World War II. In the short term the European nations have become more alike as democratic practices have gradually gained more ground in the transition economies. Here the different pre-accession schemes and resource bases provided by the EU have been of indispensable help as many of the former Central European people’s democracies as well as the Baltic States have been guided to EU membership from May 2004 on.

After the initial problems following the fall of the Soviet politico-economic bloc, its trading system and division of labour, economic development in the transition economies has been rapid. However, a clearly visible income gap will continue to divide Europe. Even for the successful tran-

sition economies it took the entire first half of the 1990s to regain the pre-1989 levels in industrial output<sup>2</sup> – or to find the way back to the performance level having prevailed in a system that was to face both a material and an ethical collapse. This took place in an environment marked by the virtues of the recovering economy being distributed unevenly<sup>3</sup>.

Polarised forces in development should make the following chain of assumptions legitimate (cf. Amsden et al. 1994, Barlow et al. 1994, 5-9; Galbraith 1991; Järve 1994; Streeck 1992; Williamson 1993, 46-47):

- 1 Socio-economic institutions typical of stable market economies take time to put down strong roots in the societal soil.
- 2 For the transition economies, the latest newcomers to the EU family of nations, growing such institutional roots will be a vast and time-consuming process.
- 3 For numerous individuals and groups the change of developmental trajectory will probably be a painful process that may breed social turmoil.

The evolution of democratic practices includes – among many other things – the free movement of individuals. The crossing of international borders in the form of basically free emigration is no exception to this rule. Individual mobility and emigrating as an aggregate phenomenon reflect several complex factors that are attached, *inter alia*, to individual life-spans, changes in the living environment, and the political and economic conditions in the sending and receiving areas (e.g. Schaeffer 1993, 52). In the case of European East-West mobility during the 1990s and even in the foreseeable future one can safely point out willingness to emigrate caused by differences in material living standards that reflect the heritage of a divided Europe. A part of this willingness will become visible as actual emigration flows (cf. e.g. Hönekopp 1993).

Increasing interaction across borders also includes the internationalisation of labour markets. For international labour markets major urban areas, particularly capital city regions and large cities close to border zones are impor-

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<sup>2</sup> Cf. e.g. Statistical Yearbook of Latvia 1995, 33; Statistical Yearbook of the Slovak Republic 1995, 32-33; Statistical Yearbook of the Czech Republic 1995, 26-27; Indicators of the Economic and Social Development of the Czech Republic 1996, A1; Employment Observatory 1995, 1-3.

<sup>3</sup> Cf. Estonian Statistics Monthly No. 12 (48) 1995, 21-23; Employment and Unemployment in the Czech Republic 1995, 67; Statistical Office of Estonia: Wages and Salaries 1/1995; Economic and Social Development in Lithuania 11/1995, 27-28; Statistical Yearbook of the Slovak Republic 1995, 449; Statistical Office of the Slovak Republic: Social policy and social conditions 1995; Monthly Bulletin of Latvian Statistics 8/1995, 36.

tant nodes in networks of centres for production, consumption and exchange. Teitelbaum (1993, 162) maintains that over short periods of time a feasible economic development alleviates pressures for emigration. However, as we look at long-term developments in “new” or “emerging” market economies, it becomes obvious that new skills acquired in the process of systemic transformation towards market economy increases individuals’ competitiveness in overseas labour markets. In the Central European case this “overseas” refers to a great extent to the geographically adjacent Western Europe. In the future these enhanced skills and the accompanying competitiveness may increase pressures – or at least readiness and willingness – for emigration. For the subsequent research a crucial question deals with the basic willingness to emigrate – and the composition and contents of strategic migrant groups particularly interested in emigrating to the traditional market economies of the European West.

The fall of the Iron Curtain abolished the immediate economically grounded pressures to emigrate. After this turning point (in German *die Wende*) the Czech Republic, for one, soon became a country with a positive balance in international migration, i.e. a country that attracts more immigrants from other countries than it sends there. To some extent the phenomenon reflects return migration of emigrants who escaped the former socialist regime. Another small but not insignificant immigrant flow from the West consists of technical, business and administrative specialists who followed internationally operating organisations that expanded their networks to new market economies.

After the *Wende* noticeable migration flows from the territory of the former Soviet Union, Romania and Bulgaria were directed at the westernmost transition countries on the edge of EU Europe: the Visegrad Countries the Czech Republic, Hungary, Poland and Slovakia (cf. Castles & Miller 1993, 5; Juhász 1995, 209). Furthermore, the intra-Visegrad migration flows seemed to be directed at Slovakia and particularly the Czech Republic as some kind of “transitionary-European” spearhead pointing at the West (*ibid.*, cf. Statistical... 1995, 154-155). Simultaneously many of the transition countries’ formal obstacles to emigration have been removed. Thus it can be assumed that some of the migration pressures caused by circumstances in the sending countries have been alleviated. Conversely, the declining economic conditions in many EU countries soon after the *Wende* reflected a demand for more selective migration regimes on the European level with the aim of regulating the immigrant flows. This made the EU appear less welcoming to migrants from the transition economies, which in turn may have caused pressures originating from the conditions prevailing in the potential receiving area. Less than a decade later this concern has been replaced with a new

one: ageing of the European population and the need for an inflow of new, hopefully well qualified migrants.

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## 2.3. Data collection: technical procedures

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The empirical primary data mostly used in the articles in this publication was gathered from 227 enterprises and other employing organisations in St. Petersburg, Tallinn, Prague and Bratislava urban areas between April and June of 1996. Surveys and interviews were carried out in co-operation with researchers at local universities and research institutes under the supervision of and with the participation of the Finnish research group members.

The actual data collection process started with the distribution of short questionnaires to large number of potential respondents in an extensive and detailed survey. This measure was a precaution that was carried out for the sake of data management and data quality control. At the data collection stage it was assumed that the actual planning of emigration is a very rare phenomenon among the population. The task, as it was articulated, was to find enough emigration-orientated respondents to fill in the questionnaire so that the causes that contribute to migration willingness and migration pressure formation can be thoroughly examined.

The procedure of the survey was as follows: Surveys and interviews were carried out in employing organisations. Firstly, they were sampled from the enterprise and establishment registers of Bratislava, Prague and Tallinn. Secondly, the manager in charge of human resources and personnel recruitment was interviewed. Thirdly, a so-called short questionnaire was distributed to the personnel in the organisation. Fourthly, according to the answers in the short questionnaire, a *selected number of the personnel was asked to fill in the so-called long questionnaire*. The sampling procedure of the employing establishments is presented in Chapter 2.4; the procedure of distribution of the personnel questionnaires is presented in Chapter 2.5.

St. Petersburg is an exception to the rule. *First*, in 1996 the researchers did not have access to any comprehensive establishment register there. Due to this it was not possible to select the employing organisations in St. Petersburg based on random sampling. Organisations in St. Petersburg were therefore selected with the help of a large contact network of Faxon Ltd, a Finnish consultant company assisting foreign enterprises to establish their operations in St. Petersburg by helping them to create the necessary contacts to the business community and the authorities. As the contact network was extensive enough, it was possible to construct distributions of the organisa-

tions' ownership base, size of personnel and field of activity so that they were as representative as possible *vis-à-vis* the overall distributions in the St. Petersburg city economy.

*Second*, short questionnaires were not distributed in St. Petersburg – only the long ones. Thus the respondents in the St. Petersburg organisations were not sampled in the same manner as in the three other case cities. This must be taken into account when analysing and interpreting the St. Petersburg survey data. The reason for the exceptional data gathering method in St. Petersburg was that in discussions with Russian researchers it became obvious that the purpose of the two-phase sample might be difficult for the respondents to understand. Thus there was a risk that the entire sampling procedure would have ended in failure.

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## 2.4. Sampling of the organisations

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As the study focuses on employed labour force, the survey data was gathered from different organisations i.e. places where people work. Employing organisations were thus sampled from the establishment registers (e.g. Infostat 1996). Before the sampling was carried out, small organisations (in Bratislava and Prague those with fewer than 50 employees, in Tallinn fewer than 11) and large (more than 299 employees) were filtered out from the data, as was done with organisations operating in primary production. Thus the population of employing organisations consisted of industrial, service, information-intensive and administrative sectors of the economies in question.

The original idea was also to study organisations of the size between 50 and 300 employees in Tallinn. However, at the time when the data was collected a firm with more than 50 employees was considered as exceptionally large in Tallinn. Small enterprises characterised its labour market. Thus, smaller establishments were also sampled in Tallinn. There were also differences in the size classification of organisations between Tallinn and Bratislava/Prague in the establishment registers.

Micro-sized organisations were hence excluded from the sample. This decision was *de facto* a result, purely and simply, of resource allocation. The vast job of distributing questionnaires in a large number of organisations, all requiring a round of negotiations to gain access to the employees would have been very costly. Gathering a sample as large as it was done here from organisations with a mere handful of employees would have added considerably to the time-consuming fieldwork. Conversely, selecting the remaining gigantic enterprises typical of the former socialist production system would



have biased the sample. A handful of organisations would have consumed all the resources reserved for fieldwork and hence made it impossible to widen the scope to different organisations. In the field of state establishments this would probably have over-emphasised large post-communist monopolies (e.g. in armaments industries) and state central government.

To summarise the procedure this far: organisations were arranged in the registers modified into pc spreadsheet format according to the classified number of the personnel. Organisations that fulfilled the following criteria were removed:

- 1 Small organisations (in Bratislava and Prague personnel less than 50, in Tallinn less than 11)
- 2 Large organisations (with personnel more than 299)
- 3 Organisations in primary production.

Moreover, in St. Petersburg organisations were selected differently. An extensive customer and stakeholder network of a Finnish consultant firm was used as a basis for sampling the target organisations.

The ownership basis of the organisations is one of the factors that create divisions among the employed labour force. Especially in the transition economies it can be assumed that the ownership base of the employing organisation influences the way the employees construct their world-views. Related to this, the ownership base of the employing organisation influences the employees' self-evaluation of their skills and value on the labour market. As the societies change fast, the internal norm and value systems created and strengthened by the employing organisations adapt to the changing environment faster and more flexibly than does the legislation as a key societal value system. These organisation-based value systems effect the ways employees review changes in the surrounding society. Enterprises with structural differences also constitute selection mechanisms that attract people with different orientations and aspirations. Seeking employment in a foreign-owned firm or from a new private enterprise is grounded differently from choosing to seek employment (or for continue employment) in a state enterprise or other establishment.

Finally, there was a particular reason for using the combined size criteria *and* the ownership base while sampling the organisations. Our explicit aim was to get a representative and recognisable picture of those private sector enterprises that were already flourishing but that had not yet grown large as the first market economy decade had passed its halfway mark. Small and medium-sized enterprises (SMEs) were seen as typical representatives of the economic transition, making up the most dynamic, responsive and flexible part of the economy. They came to fill the gaps in the economic and organ-

isational structure left by the socialist era with its economic system. They also emerged to offer new jobs to those who had lost their previous employment in the former socialist firms.

The statistical technique used for the selection of organisations was *stratified sampling*. The organisations were classified into six groups according to ownership (variable *omist6* in Table 2.1) and into four groups according to the number of the personnel (variable *koko4* in Table 2.2).

*Table 2.1. Classified ownership bases of the organisations*

Number of employees	Bratislava		Prague		Tallinn		St. Petersburg		Total	
	N	%	N	%	N	%	N	%	N	%
1-24	0	0	0	0	21	39	36	32	57	26
25-49	0	0	2	7	14	26	28	25	44	20
50-74	7	28	9	30	4	7	9	8	29	13
75-99	4	16	4	13	3	6	4	4	15	7
100-124	5	20	2	7	0	0	7	6	14	6
125-149	3	12	2	7	1	2	3	3	9	4
150-174	1	4	3	10	3	6	3	3	10	4
175-199	1	4	3	10	0	0	0	0	4	2
200 or more	4	16	5	17	8	15	24	21	41	18
Total	25	100	30	100	54	100	114	100	223	100
Missing data	1		0		2		1		4	

*Table 2.2. Sizes of the organisations by number of personnel.*

Class identifier ( <i>koko4</i> )	Number of personnel	
	Bratislava/Prague	Tallinn
Size class 1	50-74	10-49
Size class 2	75-99	50-99
Size class 3	100-199	100-199
Size class 4	200-299	200-299

Variables *omist6* and *koko4* were cross-tabulated (independently for each city region) to a 6x4 matrix. The number of organisations to be sampled to each stratum in the matrix was resolved by relative imposition of quotas. In the following equation index *i* relates to the ownership basis and index *j* relates to the number of personnel:

$$x_{ij} = (n_{ij} / N) * S \tag{1}$$

where  $x_{ij}$  is the number of organisations to be sampled in each stratum  
 $n_{ij}$  is the part of the population that fills the criteria of the stratum  
 $N$  is the population  
 $S$  is the size of the sample.

Sample size (*S*) was determined by the research group. The criteria for the size of the sample in each city region were the region’s importance from the Finnish point of view and the organisation structure in the regions. Due to this the sample from Tallinn and the number of organisations in St. Petersburg are bigger than in the other two cities. The original intention was that the size of the sample would be 50 in Tallinn, 30 in Prague and 25 in Bratislava.

Each stratum ( $x_{ij}$ ) was filled from the population (*N*) using random sampling with a limitation that there should not be more than one organisation from the same field of activity in each stratum. A possibility was identified that not all of the sampled organisations might be accessible to the researchers for the actual surveys and interviews to be carried out. Due to this two more organisations were sampled according to the same criteria to complement each of the first sampled organisations in the case of refusals in the target organisations.

Finally the research group prepared a “shortlist of reserve organisations” that also fulfilled the selection criteria of the sample. *This list was made to resemble the list of the sampled organisations as far as possible* (according to ownership, personnel and the field of activity of the organisation). As an outcome of these precautions the final number of the sampled or selected organisations was six times as much as the size of the actual sample.

The researchers needed permission from each of the organisations for the actual data collection. Organisation-centred approach was chosen to provide an access to the micro level labour markets with their different institutional factors. Thus it was natural to negotiate with the organisations’ personnel/human resources managers. In the smallest organisations the top man-

agement (managing director, owner-entrepreneur) was contacted. These individuals were interviewed with the help of a structured questionnaire that also included information of the organisation's past and expected development.

The final organisation sample was:

- Bratislava 26 organisations
- Prague 30 organisations
- Tallinn 56 organisations
- St. Petersburg 115 organisations.

The number of employees, ownership and field of activity of the organisations is presented in Tables 2.3, 2.4 and 2.5. The data in the tables are based on the results of the manager interviews, not on the data in the registers.

In Bratislava and Prague the organisations are clearly larger than in Tallinn, measured by number of personnel. The data for St. Petersburg resembles the data for Tallinn. The original plan for the St Petersburg study was to carry out interviews in 50 organisations. However, it was necessary to raise the number of organisations to over one hundred for two reasons. First, too great a share of the employees in the originally chosen organisations declined to complete the questionnaire. Second, the management of some of the chosen organisations did not permit all of the employees to complete the questionnaires.

*Table 2.3. Sampled/selected organisations by number of employees (Source: personnel/general managers)*

Number of employees	Bratislava		Prague		Tallinn		St.Petersb.		Total	
	N	%	N	%	N	%	N	%	N	%
1-24	0	0	0	0	21	39	36	32	57	26
25-49	0	0	2	7	14	26	28	25	44	20
50-74	7	28	9	30	4	7	9	8	29	13
75-99	4	16	4	13	3	6	4	4	15	7
100-124	5	20	2	7	0	0	7	6	14	6
125-149	3	12	2	7	1	2	3	3	9	4
150-174	1	4	3	10	3	6	3	3	10	4
175-199	1	4	3	10	0	0	0	0	4	2
200 or more	4	16	5	17	8	15	24	21	41	18
Total	25	100	30	100	54	100	114	100	223	100
Missing data	1		0		2		1		4	

Information about the organisations' ownership type as given by the personnel/general managers differs in some cases from the information indicated

by registers. An organisation that appears in the register may have ceased to operate – or changed its ownership type, field of activity, address or the number of employees. Changes like those described here are particularly typical for economies in a transitional phase with their enterprises and establishments only taking shape in (and for) a market-based system. The organisations described in the sample gave quite a satisfactory picture of the organisation and business structure of the city regions studied. However, it is worth mentioning that the Bratislava sample is biased: about one third of the organisations are involved in research, education and training (Table 2.5). This partly reflects a relatively early transitional setting in a region with industrial production still largely dominated by enterprises with more than 300 employees.

*Table 2.4. Sampled/selected organisations by ownership type*

Ownership basis	Bratislava		Prague		Tallinn		St. Petersburg		Total	
	N	%	N	%	N	%	N	%	N	%
State-owned enterprise	13	50	6	20	7	13	19	17	45	20
Municipal joint stock company	0	0	0	0	0	0	14	12	14	6
Municipal enterprise/organisation	0	0	3	10	3	5	0	0	6	3
Co-operative	0	0	0	0	3	5	3	3	6	3
Privatised state enterprise	5	19	2	7	4	7	9	8	20	9
Private enterprise, no foreign shareowners, no major foreign ownership	4	15	10	33	30	55	39	34	83	37
Joint venture	2	8	3	10	4	7	12	11	21	9
Local unit of a transnational corporation	2	8	3	10	3	5	7	6	15	7
Other	0	0	3	10	1	2	11	10	15	7
Total	26	100	30	100	55	100	114	100	225	100
Missing data	0		0		1		1		2	

Table 2.5. *Sampled/selected organisations by number of fields of activity*

Branch of industry	Bratislava		Prague		Tallinn		St. Petersburg		Total	
	N	%	N	%	N	%	N	%	N	%
Mechanical engineering	1	4	3	10	2	4	7	6	13	6
Electronic engineering	1	4	-	-	2	4	13	12	16	7
Chemical, medical or process industry	2	8	1	3	2	4	4	4	9	4
Textile, clothing or footwear industry	-	-	-	-	3	5	3	3	6	3
Construction	-	-	1	3	2	4	11	10	14	6
Traffic, particularly passenger transportation	-	-	-	-	3	5	4	4	7	3
Forwarding, logistics or warehousing	-	-	-	-	2	4	2	2	4	2
Energy and water utilities	-	-	-	-	1	2	3	3	4	2
Accommodation and catering	-	-	4	13	2	4	4	4	10	4
Wholesale trade	2	8	-	-	3	5	13	12	18	8
Trade and commerce, supply of goods	1	4	3	10	7	13	3	3	14	6
Reparation of household goods and motor vehicles	-	-	-	-	1	2	1	1	2	1
Import and export of goods	-	-	2	7		0	4	4	6	3
Finance and insurance	1	4	2	7	2	4	3	3	8	4
Marketing and advertising	1	4	-	-	1	2	9	8	11	5
Business administration services	-	-	1	3	-	-	4	4	5	2
Technical planning and consultancy services	1	4	1	3	1	2	5	4	8	4
Education and research	9	35	4	13	2	4	8	7	23	10
Legal services	-	-	1	3	-	-	-	-	1	0
Others	7	27	7	23	20	36	12	11	46	20
Total	26	100	30	100	56	100	113	100	225	100
Missing data	0		0		0		2		2	

## 2.5. Two-step selection of the sampled organisations' employees

After the organisations were chosen and the researchers had obtained permission to carry out the informed survey, it was to be decided which of the employees should complete the lengthy questionnaire. The size of the employee sample was determined by a two-step procedure. As mentioned above, a procedure that was based on the use of enterprise registers was developed for three of the four city regions. In *St. Petersburg the procedure was not implemented due to register problems*.

It was necessary to gather completed questionnaires in quantities that were representative of the organisations' employee volumes. In order to do

this the researchers weighted the employee sizes by dividing the class means of variable *koko4* by the sum of the class means (cf. Table 2.6):

$$w_j = x_j / \sum x_j , \tag{2}$$

where index *j* refers to organisations' size class  
*w<sub>j</sub>* is weight of the stratum's size class  
*x<sub>j</sub>* is class mean.

*Table 2.6 Weights by organisations' size classes (w<sub>j</sub>) solved with Equation [2] for Bratislava and Prague (B&P), and for Tallinn (T).*

Class identifier ( <i>koko4</i> )	Class means ( <i>x<sub>j</sub></i> )		Strata's weights ( <i>w<sub>j</sub></i> )	
	B & P	T	B & P	T
Size class 1	62.0	29.5	0.113	0.059
Size class 2	87.0	74.5	0.159	0.148
Size class 3	149.5	149.5	0.273	0.297
Size class 4	249.5	249.5	0.455	0.496
Total (Σ <i>x<sub>j</sub></i> and Σ <i>w<sub>j</sub></i> )	548	503	1.000	1.000

Sample size (completed questionnaires) from each statum can be determined as follows:

$$o_{ij} = (x_{ij} * w_j * H) / S , \tag{3}$$

where *o<sub>ij</sub>* is the number of questionnaires to be gathered from stratum  
*x<sub>ij</sub>* is the number of organisations sampled to the stratum (from Eq. [1])  
*w<sub>j</sub>* is the stratum's weight according to its size class ([2])  
*H* is the respondent sample size  
*S* is the organisation sample size ([1]).

The sample size *H* varies from 600 to 3 000 depending on the stage of the survey and the city region in question. The largest samples were gathered in the preliminary stages of the data collection from the selected organisations' blue-collar and white-collar workers as well as from supervisors and other low-level line managers. What was elicited was some most basic demo-

graphic data and an assessment of their eventual plans to move abroad. This was done with short questionnaires distributed in the organisations and collected immediately (sample size H was 2 000 in Bratislava and Prague, and 3 000 in Tallinn). Respondents were then divided into three groups according to the answers they gave to two polar questions in the short questionnaires:

- 1) Have you ever considered possibility of moving abroad to live or work there for at least some time? (Y/N)
- 2) Have you planned to move abroad at least for half year? (Y/N)

The assumption underlying these questions was that an individual may both have the basic willingness and possess the necessary resources to emigrate. A respondent's answers that he or she thinks or has considered the possibility of moving abroad (Question 1 above) is interpreted as an indication of a vaguely structured willingness or a very basic mental readiness to emigrate. If the respondent has made actual *plans* for moving abroad (Question 2) it is reasonable to think that he or she not only has the basic willingness but also has access to the necessary material and non-material resources needed for emigrating. The three groups formed according to the logically possible combinations were:

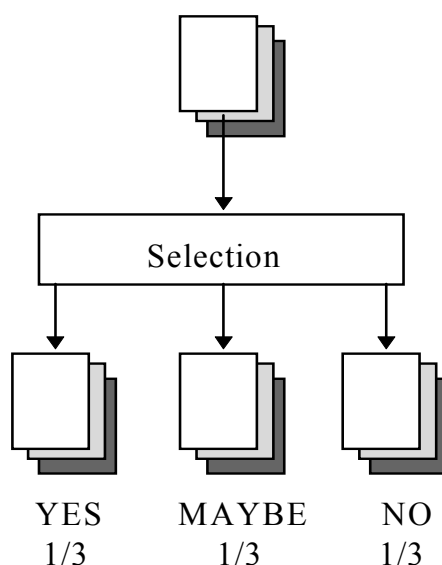
- 1) **Yes-Movers** having answered "yes" to both questions. They constitute the most likely emigrants.
- 2) **Maybe-Movers** having answered "yes" to the first question but "no" to the second. In case of any changes in the preferences, plans or resources of the respondents in this group, they may turn into Yes-Movers or remain – as judged by their actual behaviour without promigratory changes in external circumstances – as *de facto* Non-Movers.
- 3) **Non-Movers** having answered "no" to both questions. They constitute the group that will most probably remain in their present domicile and country of origin in the near future.

Short questionnaires were distributed in situations in which employees were easily accessible without disrupting the selected organisations' daily routines. On the basis of the short questionnaires selected individuals were asked to complete the long structured questionnaire. It was determined that each group (Yes-Movers, Maybe-Movers and Non-Movers) should constitute one third of the respondents filling in the long questionnaire (see Figure 2.1).



**Step One**  
- short questionnaire  
2000 copies

**Step Two**  
- long questionnaire  
600 copies



*Figure 2.1. Employee sampling: the two-step process as carried out in Bratislava and Prague. In Step One the selected organisations' randomly chosen employees returned a total of 2 000 completed short questionnaires. According to their answers the respondents were then placed in one of the three groups. In Step Two, 600 of the original 2 000 respondents selected on the basis of their answers to Step One questionnaires receive long questionnaires. One third of these will be given to "Yes-Movers", one third to "Maybe-Movers" and one third to "Non-Movers" In Tallinn the procedure was basically the same. However, 3 000 short questionnaires were distributed in order to find respondents for 1 000 long questionnaires divided into three groups each comprising a third of the Step Two respondents.*

That the respondents were selected to complete the long questionnaires as mentioned above means that the sizes of the three groups were determined *a priori*, derived from the number of questionnaires to be divided in organisations of given sizes. The respondents were thus selected for the three reference groups irrespective of the original short questionnaires distribution. However, the basic selection of the respondents took place randomly (for example when the employees arrived in the canteen or when they were leaving the workplace).

The primary intention in using such a biased selection was to collect a sufficiently large group of most likely emigrants for detailed statistical analysis to study the circumstantial factors and mindsets that differentiated it from the less likely emigrants. The long questionnaire served to gather information on dif-

ferent background variables anticipated to cause a person to move. Data were also gathered on the factors that bind persons to their current living environments. The distribution of the mover groups is presented in Table 2.7.

*Table 2.7. Mover Groups by City Regions. (N.b. No short questionnaire was used in St. Petersburg. Thus the mover-group distribution as presented here is not possible in the case of St. Petersburg.)*

Plans to move	Bratislava		Prague		Tallinn		Total	
	N	%	N	%	N	%	N	%
Yes	453	21	522	30	248	13	1223	21
Maybe	645	30	411	23	291	15	1347	23
No	1085	50	833	47	1440	73	3358	57
Total	2183	100	1766	100	1979	100	5928	100
Missing data	33		160		38		231	

Table 2.7 was compiled so that a positive answer to each of the original questions was coded as 1 and a negative answer as 2. Theoretically the combinations 1/1 (e.g. “Yes”), 1/2 (“Maybe”) and 2/2 (“No”) were the only possibilities as it was assumed that entertaining the possibility of moving abroad is a necessary condition for planning actual moving. Combinations 2/1 did indeed occur, but their share of the data was merely 0.7 per cent. This combination was classified added to the Maybe-Movers, as those so responding showed some interest in moving abroad.

Table 2.7 indicates that the basic willingness to emigrate appears to be relatively high, particularly in the Prague and Bratislava urban areas. One obvious explanation underlying the phenomenon is that the questions did not indicate any definite time scales as to when the respondent thought of or planned moving and possibly working abroad. The only time limitation, in Question 2, concerned the length of the planned sojourn abroad. However, it can be assumed that many if not most of the Yes-Movers will never take the actual step of emigrating for an extended period of time.

Rather than an independent analytical tool, the short questionnaire was an instrument to select respondents to participate the actual survey by completing extensive questionnaires. Education, age and gender distributions of the Step-Two respondents having completed and returned in the long questionnaires are presented in Table 2.8. Due to the two-step sampling procedure these respondents are biased towards the most pro-migration minded part of the population, even if in Prague and Bratislava this bias is not very great (cf. Table 2.7). However, this fact was to be taken into consideration in fur-

ther analyses. Yet the data were primarily compiled to facilitate analyses of phenomena and factors contributing to the respondents' decisions to migrate –to *profile the three migrant types* and the accumulation of their pro-migratory motivational factors. This profiling was not sensitive to biases. Representativeness would have been a different issue had the study aimed at assessing and forecasting the actual volumes of potential migrants from the urban transition economies.

In St. Petersburg the employees were selected through a person-to-person procedure, with local research assistants introducing the aims of the study to employees of the selected organisations and distributing the questionnaires on the basis of their immediate replies. The most crucial problem with the St. Petersburg data compilation was that the researchers were not always allowed to meet blue-collar workers, some of them obviously having been employed unofficially (cf. below). Thus, white-collar personnel and hence the academically educated were over represented in the data.

The long questionnaire distributed to the employees and lower managers was divided into six thematic parts:

- 1 work career
- 2 social and economic situation
- 3 residential and living environment preferences
- 4 factors that bind respondents to and disengage them from the residential environment
- 5 demographic background factors
- 6 experiences of foreign countries and foreigners.

The aim was to collect data from 2 200 respondents from three city regions (Bratislava 600, Prague 600 and Tallinn 1000). Moreover, in St. Petersburg the original target was to elicit information from about one thousand employees in 50 organisations. The final numbers of respondents to the long questionnaire turned out to be as follows:

- Bratislava                      600 respondents
- Prague                            605 respondents
- Tallinn                            926 respondents
- St. Petersburg                931 respondents.

The educational level of the respondents is not entirely comparable (cf. Table 2.8). For example in Slovakia, “academic” degree is easily understood as education intended for professional researchers, so some professionals may be inclined to downplay their educational merits. By contrast, the high number of academically educated in the St. Petersburg sample is largely a structural illusion, as the researchers were mostly allowed to interview employees

in the organisations' administrative and professional level. At the time of the fieldwork many firms in St. Petersburg paid wages and salaries off the books. This used to be the case especially with the blue-collar workers, which therefore did not even officially exist. How to interview an officially non-existing individual, even in St. Petersburg?

Another explanation for the large amount of academically educated respondents both in St. Petersburg and Tallinn is that for the reasons explained earlier the sample and selection of the organisations was generally weighted towards smaller organisations than was the case in Prague and Bratislava. In smaller and often service-oriented enterprises the relative number of personnel involved in managerial duties is greater than in the larger companies (such as those present more abundantly in the Central European samples).

*Table 2.8. Basic profiles of respondents having completed the long questionnaires.*

	Bratislava		Prague		Tallinn		St. Petersb.		Total	
	N	%	N	%	N	%	N	%	N	%
Education										
Basic	23	4	20	3	29	3	2	0	74	2
Secondary school	279	47	147	25	231	25	52	6	709	23
Vocational school	96	16	247	42	155	17	97	11	595	20
Polytechnic or professional qualifications	186	31	133	22	198	22	178	20	695	23
Academic degree	16	3	45	8	306	33	582	64	949	31
Total	600	100	592	100	919	100	911	100	3022	100
Missing data	0		13		7		20		40	
Sex										
Male	221	37	263	43	386	42	414	46	1284	42
Female	379	63	342	57	540	58	485	54	1746	58
Total	600	100	605	100	926	100	899	100	3030	100
Missing data	0		0		0		32		32	
Age (mean, years)	39		40		39		36		38	
Missing data	0		0		0		0		0	

The respondents' gender distribution was biased towards women in every city. This is particularly pronounced in Bratislava. This bias is because of the sampling method. At the time of gathering the data, the division between male and female workplaces in the studied city regions was still relatively strict. A few large female-dominated workplaces (nursery, textile factory or department store) were enough to cause the gender distribution as seen in

Table 2.8. Division of labour explains much of the number of young respondents in the St. Petersburg sample. As the youngest and academically qualified they have relatively good positions in the workplaces (especially in the new private companies). Little by little, as the transition period has proceeded, they started to replace the old “technocrats” also in the old public organisations – particularly in Tallinn but in other case cities, too.

Different business structure and demographic differences must be taken into account when interpreting the results based on the data collected. The St. Petersburg data especially are biased by the respondents’ individual characteristics. In the other three cities the migration minded part of the population is deliberately over-represented in the data. However, the sample data gives a satisfactory picture of the structuring of the division of labour in the urban areas studied, and to some extent the results can be generalised to the employed labour force with regard to its willingness to emigrate. Interpretations based on the St. Petersburg data should only be generalised to the young and academically educated white-collar professional labour force.

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## **2.6. Findings and conclusions**

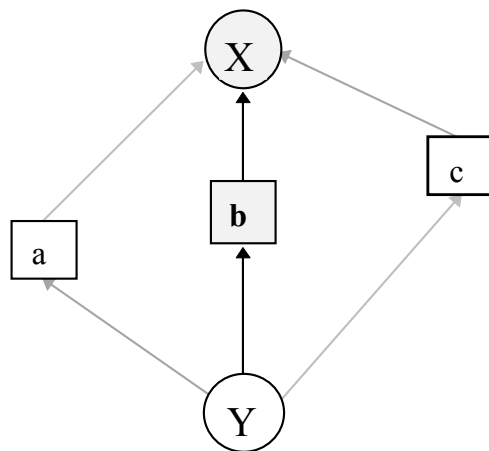
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After having selected the respondents using the procedure described in this chapter, we briefly discuss some aspects of the reported basic willingness to migrate in three of the urban areas studied – Prague, Bratislava and Tallinn – where the full two-step procedure was put into practice. The group of respondents with the most clearly expressed willingness is called here a “strategic group” due to its particular relevance and meaning to the general aim of the entire research – understanding the factors that contribute to the constitution of a certain behavioural pattern, moving abroad.

### **Willingness to emigrate: a question of pressures, choices and resources**

In this chapter we classified the respondents into three groups with the randomly distributed short questionnaires. The city-by-city results produced by this first-step were shown in Table 2.7 above. Against all expectations set forth at the beginning of this chapter, the basic willingness of the respondents to emigrate seemed to be quite high. The strategic group did not appear to be so difficult to find from among the population as expected in the planning stage of the chosen data collection procedure.

The figures disclosing the levels of basic willingness cannot be interpreted so that nearly a third of those employed in Prague, every fifth of those employed in Bratislava and every eighth of those employed in Tallinn is actively preparing an outward migration. Instead, these figures more probably speak of the respondents' appraisal of their access to some key resources (financial, knowledge-based, network-related etc.) needed for success as potential emigrants. On the other hand the assumptions on the formation of migration pressure regards even active planning for emigration merely as one of several alternatives an individual may choose while seeking to reach a goal important to him or her. The goal may be any state of affairs in which an individual enhances his or her economic conditions (cf. Figure 2.2). After all, most theories of migration fall into a family of economic explanation that regards an individual as an economically rational *homo economicus*.



*Figure 2.2. Individual Y seeking to enhance his/her material conditions (X) and three alternative routes (a, b, c) to reach that goal. Route b corresponds to migrating abroad. An economically rational agent chooses it if this route provides him/her with the fastest way to reach the goal.*

The contents of the alternative routes seen in Figure 2.2 for an individual to enhance his or her material conditions are specified by the answers the respondents were to give while filling in the long questionnaires. The subsequent chapters of this volume discuss and analyse the formation of migration pressure, and its eventual alleviation through a variety of alternative channels.

Alternatives to emigrating should have abounded at the time the surveys were made. This is due to the dynamics of transition and its impacts on the

labour markets in key urban economies such as in Prague, Bratislava and Tallinn – all of them national capitals and most important national centres of financial and other forms politico-economic renewal. The rapid ongoing changes in the transitionary setting of the late mid-1990s produced a range of new job opportunities through the introduction of the market economy that generally reduced ambitious individuals' pressures to emigrate (cf. Schaeffer 1993, 54-55). The official unemployment rates in all the case cities were significantly lower than in EU Europe and many of its large centres close to the case cities. (cf. Statisticka... 1995, 66). In the age of communication and information dissemination this is an important consideration. An individual may find it more rational to stay in his or her current domicile with modest earnings that, however, exceed the subsistence minimum than to take the risk of not succeeding as an immigrant in an unfamiliar cultural environment.

The formation of migration pressures can easily be seen to be affected by material welfare differentials between the areas of an eventual migrant's origin and his or her potential destination or destinations. Let us assume that Region A is less well developed than its neighbouring Region B, or that its residents are less well-off than the neighbouring region's inhabitants. Here we expect net migratory flows from A to B. Moreover, the shorter the physical and cultural distance between A and B, the more the residents of A may be inclined to consider moving to B, provided that there are no major obstacles to such migration. All the three case regions discussed here were close to the key orientation areas for their potential migrants, and the cultural distances were reasonably small. Thus we can expect that all of the three case regions (corresponding to "Region A" above) and their populations stood in an equal position in relation to their wealthier neighbours ("Region B"). In such a setting differences in the respondents' wage levels can be seen as constituting an influential factor differentiating their observable degrees of willingness to emigrate to the higher-income region (B).

The Prague respondents had the highest earnings, followed by the respondents in Tallinn and Bratislava, meaning that the relative income gap was expectedly smaller between Prague and the high-income Region B than in the case of the other two urban areas. Consequently, the share of Yes-Movers (cf. Table 2.7 above) should have been smallest in Prague. However, this is exactly what was *not* the case: in Prague the share of Yes-Movers was clearly the highest. Thus, more elaborate explanations than the crude income differentials between Regions A and B needed to be considered. This search is reflected in virtually all chapters of this volume.

In order to highlight this more complex relationship between pro-migratory attitudes and earnings we looked at the distribution of personal

wealth a given population seemed to generate through the labour market. We did this by calculating the Gini coefficients of the respondents' gross and net earnings as reported in the long questionnaires (cf. Table 2.9). The results from these calculations permitted the assumption that there might be another kind of identifiable pattern going hand in hand with the observed willingness and even more detailed plans to leave for a higher-income region (B). Only a part of it might be based on income gap-induced incentives, complemented with the accumulation of available resource-bases with which the respondents are enabled to emigrate. Some of them are purely material or dependent on potential migrants' personal or professional attributes while others are based on social or institutional networks.

*Table 2.9. Mean gross and net earnings as indicated by the respondents and the Gini coefficients<sup>4</sup> describing the income distribution (see also Table 4.2 in this publication)*

	Bratislava	Prague	Tallinn
Gross mean wages EUR	213.60	341.42	233.78
<i>Gini coefficient</i>	<i>0.25</i>	<i>0.26</i>	<i>0.30</i>
Net mean wages EUR	168.19	243.87	185.01
<i>Gini coefficient</i>	<i>0.23</i>	<i>0.21</i>	<i>0.31</i>

Material living standards in the urban areas studied as measured by mean wages are higher than in the rest of the Czech Republic, Slovakia and Estonia respectively. However, wages in the case cities are still – not to mention the late 1990s – considerably lower than in the neighbouring West European economies. Gini coefficients calculated from the net wages show that the income distribution among the employed labour force was most equal in Prague and most unequal in Tallinn. The Czech Republic and Slovakia levied progressive income taxation, whereas in Estonia there was a 26-per cent relative flat income tax rate (cf. e.g. Conditions... 1995, IV.-49; Kopál 1993, 25; Eesti... 1996, 60). Figure 2.3 shows the impact of income taxation on income distribution.

<sup>4</sup> On the calculation method used cf. Culyer 1980, 143.



In addition to the finding that in Prague the mean wages were higher than in the two other case regions, in the Czech Republic income tax evened out income differentials most efficiently. Measured by mean wages, Tallinn was on par with Bratislava, but with the most notable income differences of the three case regions. From this it follows that in Tallinn the material resources to carry out one's decision to emigrate, are distributed and accumulated to smaller share of the population. Traditional economic theories of migration would assume the highest relative share of those willing to emigrate in Bratislava or Tallinn. In Prague their share should be smallest. The preliminary results as discussed here do not confirm such an assumption.

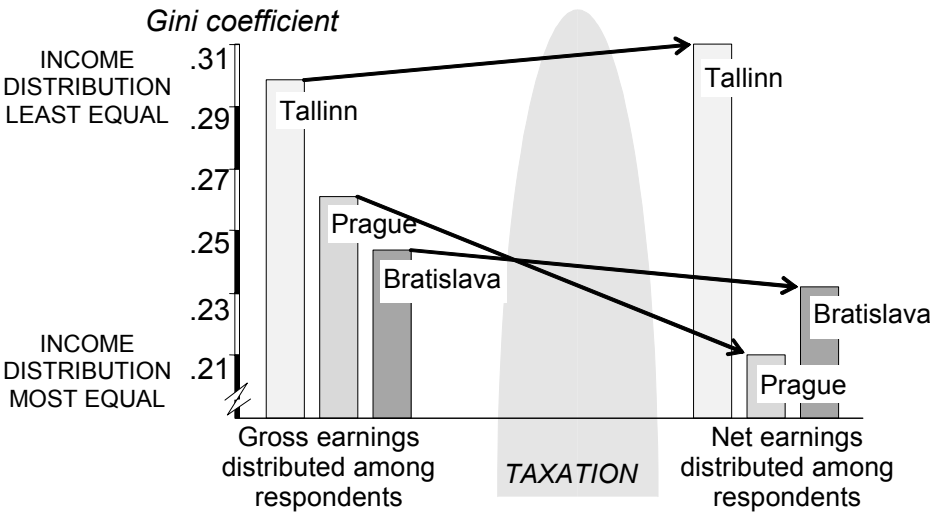


Figure 2.3. Impact of income taxation on income distribution in three of the case regions.

## Final Assessment

How successful was the procedure in practice – was the research team able to find those willing to migrate to constitute the basic population for empirical analyses of actual migration pressures and channels to alleviate them? Based on the migrant type (Yes/Maybe/No) groupings being successfully identified and compiled the answer is clearly affirmative. However, this chapter has mainly dealt with findings acquired with the first stage of the two-step sampling process, respondents' answers to the handful of questions posed in the short questionnaires. It should be kept in mind that their particular function was to select profiled respondents to complete the long questionnaires. In this chapter the only data taken from the long questionnaires deals with respondents' gross and net earnings.

Detailed data taken from the long questionnaires indicates that the respondents did not have actual plans to emigrate to the degree suggested by the original short questionnaire-based distributions (which were surprisingly large in some of the case regions). When the respondents were asked to name the most likely destination countries and the motivations for their eventual migration, the figures indicating the Yes-Movers' willingness to emigrate were halved. Thus it seems that previous estimations from the 1990s, suggesting that some eight per cent of Central and East Europeans of working age might be moving towards the West probably or certainly, more accurately reflect the readiness to migrate as indicated in responses to the long questionnaire.

The sampling method and distribution of the short questionnaires served the purpose for which they were designed. Sufficient respondents with different migration profiles were gathered to allow more precise statistical analyses of general patterns and more detailed components of the constitution of the paths towards a decision to emigrate, as well as some of its alternatives as schematically presented in Figure 2.2. Moreover, it is worth emphasising that we did not find merely *one* strategic group – the Yes-Movers – whose identification was deemed the key task for designing the entire search and sampling procedure. Instead, we also found its particularly important reference group, those Yes-Movers who are likely to enhance their material conditions by other means than emigration – some of them probably *preferring* these other means to emigration.

Findings based on the short questionnaires at the sampling stage can be assessed from two angles, one emphasising an “external” and the other an “internal” perspective. Models designed to deal with migration pressure relate an observed region to its surrounding regions and can be said to emphasise more the “external” perspective. From this perspective large communi-

ties of people resembling the Yes-Movers in this research indicate primarily a strong and widespread willingness to emigrate in a given society. Conversely, the “internal” perspective can be said to emphasise an individual who observes the surrounding society and the resources made available through it. From this perspective a large number of Yes-Movers in a given society would only suggest that the number of individuals with access to the resources needed for emigration is large.

Geographical and cultural distances were already mentioned as factors affecting potential movers’ migratory decisions. Armed with the “external” perspective one could seek to explain the observed willingness to migrate by a particular developmental trend that has become more and more apparent in the years following the original data collection. Tallinn and Helsinki are gradually forming a joint economic region and reciprocal labour market area, and at least to some extent even becoming included in each other’s commuting areas (cf. Ruoppila 1996; Böhme et al. 2001; Karppi & Retailleau 2003). Correspondingly, historical traditions, geographical proximity and a continuous, gently rolling foothill landscape descending to the banks of River Danube with manageable physical obstacles attach Bratislava to the Vienna labour market area (cf. Maier 1994; Kollár et al. 1996; Kollar in this volume). The nearness of the two cities and the regular means of communication between them have enabled commuting, which reduces the need to emigrate in order to work on the other side of the border. This easy accessibility obviously diminishes part of the plans to emigrate permanently from Slovakia.

Temporal scales constitute another important element in the assessment of migratory pressures and how they may be alleviated. The working-aged inhabitants of Tallinn do not even regard a few months’ sojourn in Helsinki as “emigrating”. The same can be said of the way that sojourn in Tallinn is perceived in Helsinki. The 2004 EU membership of Estonia has only intensified the short-term work-related sojourn across the Gulf of Finland. An opportunity to alternate back and forth between the two cities might explain the low share of Yes-Movers in Tallinn.

The share of Yes-Movers in different centres can also be approached from the “internal” perspective that emphasises the resources individuals have access to. In this case the migrant type figures shown in Table 2.7 take a different stand in relation to the mean wages and Gini coefficients calculated from the gross and net wage data provided by the respondents. Now the highest share of Yes-Movers found in Prague might be explained by a dual income-related effect. Nominal earnings were highest in Prague, and more evenly distributed than in the two other case regions. Correspondingly, the lowest share of Yes-Movers found in Tallinn could be explained by low

mean wages and the most unequal income distribution. Moreover, it might be possible to evince a distribution-related explanation for the particularly high share of Non-Movers in Tallinn. An “internal” perspective that emphasises the availability of material resources thus suggests that polarised societal development (cf. e.g. Estonian Statistics... 1996, 24) directly affects one’s opportunities to emigrate.

As has been shown here, different perspectives admit divergent interpretations of one single phenomenon, such as the dynamism attached to the formation and alleviation of migration pressures. One should keep this in mind while studying the chapters of this volume, largely built on the data collected with the long questionnaire.

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## REGULATORY CHANNELS IN TRANSITION – CHANGING REGIMES OF EUROPEAN EAST- WEST HUMAN RESOURCE MOBILITY

ILARI KARPPI

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### 3.1. Setting the task

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A key mission of this text is to demonstrate that the regulation of East–West migration is a complex system of actors and situations that cannot be captured in a mechanism with sending and receiving areas as simply defined parts. Instead, the migratory mechanism constitutes a social setting or an arena in which actors such as the legislature of the potential receiving country, enterprises with their projected demand for labour force, the European Commission, the governments of the sending countries and, naturally, the individual migrants may have a wide range of roles depending on each particular situation.

This text seeks to take a step or two towards integrating the findings of a research project discussed in several previously published articles (e.g. Karppi 1997; 1998; 1999a; 1999b; Karppi & Rantala 1997; 1998; Karppi & Kultalahti & Rantala 2000). Moreover, some new elements will be added to the discussion. The previous articles all dealt with different aspects, factors and underlying causes of the constitution of human resource flows of East–West

migration as they occurred in Europe. However, what is still missing is a more comprehensive theoretical grip binding these approaches together and analysing them in the context of cross-border interaction and integration as broader processes.

This analysis is organised in a way that collects, combines and processes the topics and findings dealt with in the above-mentioned texts. It also seeks to provide a re-appraisal of their findings, enabled by the fact that a necessary condition for anyone to pursue such syntheses is to have the partial findings collected and set forth.

Chapter 3.2 provides a brief account of the Cold War/post Cold War landmarks in European East–West interaction. The perspective, while listing these events, is primarily that of human cross-border mobility.

Chapter 3.3 discusses some institutional aspects of cross-border interaction as processes in which enterprises and other organisations are deeply involved. It also reviews some policy issues related to the integration of different economic regions – and how developments in these arenas as well as in individuals’ perceived well-being affect human mobility.

Chapter 3.4 complements the discussion with social networks and ethnic immigrant communities in the receiving area. It introduces the concept of gravity that refers to the formation dynamics of the immigrant community by emphasising some qualitative aspects in the growth of “ethnic stocks”.

Conclusions are presented in Chapter 3.5. They emphasise the need for a more comprehensive European agenda that could be called “post-transitional integration policy” acknowledging the need to appraise the new European entity in a more global context. This approach also acknowledges a demand for a wider integration strategy built on a value-based European idea – an idea of what Europe wishes to be on the global scene – instead of technocratic partial solutions and going into the endless details with which the Brussels “eurocracy” apparently keeps itself busy.

Before moving on, some words may be needed to clarify the concept of *regulatory channels*. In this text it refers to mechanisms that in one way or another select the potential migrants and contribute to the determination of their potential destinations. The systems with their implications for migration regimes, studied here as regulatory channels, are firms (particularly transnational corporations), policies of the European Union and its Member States, social deprivation, and social networks.



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## 3.2. The point of departure

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One of the first fundamental consequences of the post-1989 transitions to the West European perception of the Continent was the sudden realisation that “Europe” – in terms of continuous economic landscapes – did *not* end at the dividing line that appeared to prevail after the late 1940s and the creation of Soviet sponsored “Popular Democracies”<sup>1</sup> in the Eastern part of Europe.

Iron Curtain did exist both in words and deeds – reinforced, as we still may remember it, with concrete, barbed wire and watchtowers. Beyond these bulwarks there seemed to begin, again to a Westerner’s eye, a no-go area that in the minds of the public at large easily also become a “no-interest” area, captured by regimes driven by “another” logic and, hence, standing in its shabbiness in sharp contrast to the affluent West. Thus, for the vast majority of Westerners, with some exceptions such as Germans facing the scar of the Cold War wound in their historical national territory, the “other side” was easy to forget<sup>2</sup>.

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<sup>1</sup> In fact the term “Popular Democracy” – or “People’s Democracy” – is also transitional in the sense that it was, according to Marxist-Leninist reasoning, a step towards a Socialist and, in time, a Communist society. This also gives an insight into the dynamics of how the Central and East European states and nations have, during their entire post-war history, been regarded as half-ready members of their respective relevant reference communities.

<sup>2</sup> “Germans” refers here to the politically defined *West* Germans. Finns can also be appropriately mentioned as a West European nation with an exceptionally close connection to the world beyond the Iron Curtain. The reasons for this were twofold. Firstly, during the Cold War years it was often deemed a practical necessity for Finland to maintain relatively close political and trade connections with the Soviet Union and the rest of the Socialist (of the term cf. previous footnote) bloc. This in turn promoted the exceptional spread of East European networks – given the West European standards – to the Finnish business community, civil society and various other arenas. Particularly as observed from the distance created by Finland’s determined advance towards the West European core institutions it becomes, however, fairly obvious that the pro-Soviet concessions were made, first of all, in order to balance and politically even enable the steps taken in the *westward* economic integration (e.g. European Free Trade Area association/membership 1961 and EEC trade agreement 1973). Officially balancing on this seesaw was made under the banner of neutrality and a non-alignment policy. Secondly, a particular historical and even ethnographic explanatory factor is also to be taken into account here. The memories from the Second World War in general and the territories of ethnically and linguistically Finnic/Ugric Karelia ceded to the Soviet Union is a core factor here, in the form of numerous pressure groups and cultural associations still seeking to bring “the Karelian Question” to the political agenda.

Only some brief and passing moments of turmoil challenged the static scenario with the East relegated to the Soviet sphere of interest, with no hope of at least any immediate return to the sphere of Western Liberal Democratic values. However, given the historically short period of Soviet dominance over its European Socialist allies, these “passing moments of turmoil” contributed to make quite an extensive continuum of protest and revolt. The 1953 riots in the German Democratic Republic and the 1956 uprising in Hungary were among the earliest signs of this instability. The 1968 Prague Spring in Czechoslovakia cleared the way further to the early 1970s, marking the more persistent shaking of the Socialist legitimacy in Poland.

Reconstructing the process afterwards by using such landmarks, however “marginal” they appear in the context of the mainstream political history with Western Europe as the main scene, this chain of events could be called the road towards the beginning of an end – an end that was surprisingly close. However, as Partos (1993) has appropriately put it, to the West and the Westerners Central and East European countries comprised in 1989 very much a “world that came in from the cold”.

The East European political crises, as mentioned above, also proved to be major incidents marking changing volumes in the East-West emigration flows. However, when we look at the all-European migration patterns from the *first two post-war decades* at large, it becomes obvious that these flows had no major impact in the demographic structure of the West. At best they managed to partly balance the effects of emigration from Western Europe to other continents, particularly to Northern America and Australia. The only exception was East Germany with ca. 3.8 million of its citizens having emigrated to West Germany before the Berlin Wall was built in 1961.

Münz (1995) studied European post-war net migration balances, aggregated in decade-long periods. The balance figures provide a good perspective on the changing dynamics of East-West population flows. Between 1950 and 1959 the migration balance of Central and East European countries was negative by 4 million migrants. This means that the number of migrants from East to West exceeded the modest but yet existing West-East migration by 4 million. Between 1960 and 1969 this negative balance was halved to a “mere” 1.9 million and, between 1970 and 1979, fell again to 1.1 million. Between 1980 and 1989, as the legitimacy crisis became apparent the migration deficit soared to almost 2.3 million, a volume that was reached and in fact slightly *exceeded* during the first few years of transition, between 1990 and 1993.

The former Soviet Union shows a different dynamics here. This certainly reflects the tighter control imposed on emigration there – made basically illegal, as in the rest of the Eastern bloc. In fact it has been estimated that in

the 1950s and 1960s more people actually *immigrated* to the Soviet Union than emigrated from there, even if this surplus of some 140 000 people over a twenty-year period is modest given the simultaneous westward mass outflow from the allied popular democracies (Münz, *op. cit.*) In the following twenty-year period, between 1970 and 1989, the situation changed dramatically with an estimated population of 800 000 having emigrated from Soviet territory. However, the even more dramatic turn was yet to come, associated with the collapse of the Soviet Union in 1991 and the events around it. No less than 1.5 million people were estimated to have left the country between 1990 and 1993 alone. The causes and effects of these differing patterns will be discussed in more depth in Chapter 3.5.

It is obvious that in the light of both volumes of East-West migrants and the symbolic value of the attached political meanings the single most important element reflecting and, to a certain degree, even *de facto* constituting<sup>3</sup> the Cold War Communist “non-emigration regime” was the Berlin Wall. Thus a few brief notes of migratory movements related to it are appropriate here. The Wall was more than a brutal obstacle to free mobility. As McAdams (1993, 25) maintains, the government of the German Democratic Republic (GDR), having just muddled through hardships with regard to gaining acceptance as a state formation even from the Soviet Union and its neighbouring popular democracies, faced even harder times when trying to handle a situation in which its citizens left permanently for the Federal Republic of Germany (FRG). Such an exodus took place even if both of the two

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<sup>3</sup> For instance, the East German border guards’ right and even duty to shoot to kill everyone trying to break through the wall and escape to the West was, in all its inhumanity, stunningly logical in the peculiar context created by Berlin itself. The divided city was one of the main Cold War scenes, overshadowed by major US-Soviet showdowns such as the 1948 crisis with the Soviet troops cutting West Berlin off from all its life-supporting linkages with the rest of what was, in 1949, to become the Federal Republic of Germany. Thus, the policy measures taken in Berlin and by/through the regime of what was, also in 1949, to become the German Democratic Republic, were made in no less than unique circumstances. By the twisted logic of a game in which an individual will be totally subjected to and crushed by clashing megamachineries (term from Lewis Mumford, *cit.* Englund 1998, 134), however brutal measures do remain but single battles of a great ideological war. Simultaneously these measures seem to detach themselves from the very basic requirements set by human rights conventions: individual suffering disappears in politically motivated heroic tales emanating from events on a colossal or “historical” scale. What should be kept in mind is that the situation in Berlin, with all leading post-war military powers represented within one urban region, provided a unique test ground for policies and practices as far as blocking East-West mobility physically is concerned, and with good potential for promoting the spill-overs of these policies on other East-West borders as they received, after an immediate official protest, a silent *de facto* acquiescence from the leading Western powers.

German states suffered from economic hardships before the spin-off of the West German *Wirtschaftswunder*.

By the beginning of the 1960s the GDR had come to a point of imminent economic collapse due to serious production bottlenecks caused by the loss of workforce to the FRG, measured now in millions since the end of the Second World War. Moreover, despite the gradually enhanced international status of the GDR<sup>4</sup>, the flow of emigrants seemed to be on the increase. The year 1959, with 144 000 emigrants, was followed by 1960 with no less than 200 000 (*op. cit.*, 48-49). The conclusion drawn by the government was inevitable: the leak had to be stopped. *This* problem was largely solved when the Wall was built in August 1961.

Even if it was politically manifested as a *Schutzwall*, or safety wall – against capitalist aggressions – the Wall was obviously a sign of the gravest possible humiliation to be faced by a sovereign state, being obliged to create a prison-like physical barrier to keep its citizens from leaving. It thus became a symbol of the entire Socialist non-emigration regime. Hence, it was obviously for this particular reason that the fall of the Wall in the autumn of 1989 had such a powerful symbolic meaning with regard to the change of the times in Central and Eastern Europe. Only to underline the European dimension of *die Wende* it is appropriate to point out that abolishing this barrier – seen from the perspective of German-German relations – merely did what was the originally proclaimed agenda of *both* German states. Later it was cherished in more discrete terms: one German state for one German nation, an expression with a slightly disturbing reference to the Third Reich slogan.

As shown above in terms of population movement patterns, the “revolutionary” year 1989 changed the European scenarios. However, the human mobility aspect was only one reflection of the changes to come. Much more was at stake on the all-European scene as well. Partly the scenarios that used to be derived from the division into capitalist and socialist Europe were replaced, partly the historical patterns were *restored* (cf. Thompson 1991; Langer 1996).

Together these two processes revived suspicions and conflicts that were seemingly muffled beneath the controlled hostility between the two global camps. Interestingly, nowhere else was this “control” so much needed as in

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<sup>4</sup> Yet, it must be noted that the existence of the two German states remained an open question until the early 1970s. The US-led West regarded only the Federal Republic of Germany as the legitimate representative of one Germany, whereas the Soviet-led East gave this position to the German Democratic Republic. Thus, the GDR tried to put hard diplomatic pressure on neutral countries, particularly Finland, to make a breach in the Western Liberal Democracies’ non-acceptance line. Finland’s solution was, finally and to the obvious disappointment of the GDR, to simultaneously acknowledge the dual existence of the German state, i.e. both the FRG and the GDR.

the Eastern bloc, the one allegedly bound together by Socialist Internationalism. The Hungarian example is illustrative in this respect. It has a millennial history as a major regional power and polity, even if that history is discontinuous, particularly between the 16<sup>th</sup> and 19<sup>th</sup> centuries. Despite all discontinuities that millennium saw how the Magyars, or the Hungarian nation, spread in all directions, far beyond the borders of the contemporary Hungarian state and to territories previously ruled or settled by neighbouring peoples in contemporary Romania, Slovakia, Serbia and Ukraine.

Given this history of far from peaceful coexistence among the nations, it is no wonder that in the 1990s Hungary's only entirely unproblematic border has been the former Cold-War border the country shared with Austria (cf. Brunner 1996, 63-68; Hajdu 1997). It is worth keeping in mind that in the famous *Ausgleich*, or "compromise" of 1867 Hungary had been granted an equal position with Austria within the duly formed Austro-Hungarian dual monarchy. This settled the boundary between the two ruling nations and directed them to expand their immediate influence to other territories, in the Hungarian case particularly to Slovakia (known at that time as Upper Hungary) and Transylvania in contemporary Romania.

However, a shared history with more or less equal positions and a certain "balance of terror" based on mutual expansionist and/or colonial attempts is far from the only feasible, not to say the *only possible* ground for a stable contemporary border regime<sup>5</sup>. An example resembling the above mentioned situation on the Austrian-Hungarian border but radically differing from it in terms of history can be found in the North of Europe. Here we come across the case of the Finnish-Russian border. In the context of the 1999 Finnish presidency of the EU this border regime was brought as the "Northern Dimension" (cf. e.g. Northern... 1998) into the external policies of the entire EU. Now the external border of the EU, the one span between Finland and the Russian Federation, is among the least problematic borders surrounding Russia (Trenin 1999).

Soon after the *Wende* the opening-up of the former Socialist economies become apparent in the numbers of seekers of new *prosperity*. They replaced the previous westward migrants as seekers of *political liberty*. At least this was what was soon to be read and heard in the West European media. Unlike its moral obligations *vis-à-vis* the politically motivated Cold War emigrants,

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<sup>5</sup> In fact, as Johnson (1996) convincingly shows, the history of the Central and East European nations is tangled with the history of the major West-Central European powers, and particularly in the German cultural sphere in North-Central Europe in so manifold ways and for so many centuries following the demise of the Roman Empire and the great migrations of the peoples that it would be difficult to give a particular point in time having "constituted" the basis for a contemporary border regime.

the West of Europe now started to make anxious estimations of the devastating effects the potential East and Central European migrants would have *en masse* on the Western labour markets. Migration pressure and the chances of regulating or “managing” it became frequently used concepts reflecting these fears.

What especially prepared the ground for these pro-regulatory attitudes is the restructuring the *Western* production systems and hence the labour markets were going through. Underlying it was the thoroughly discussed systemic shift towards information society, the *economic world* or *civilisation* – in Braudel’s (1993) words – dominated by knowledge intensive service industries. Traditional blue-collar jobs in the Western manufacturing sector were rapidly diminishing, or being upgraded according to the new requirements for higher qualifications. This started to intensify competition particularly for the industrial jobs that had historically attracted less educated immigrant workers.

Simultaneously, however, the domestic West European labour force has turned on the decrease. Labour force participation rates show how two negative effects, the demographic effect and the participation effect started to interact (Employment... 1996, 43). The population in Western – as well as Eastern – Europe is ageing, meaning that the average age of the labour force is higher year after year. Moreover, the production systems are growing increasingly complex while the applications of information technology are penetrating almost all work processes. From this it follows that the time the European labour force has to invest in education has increased and continues to increase. Furthermore, the need for lifelong learning reduces the real labour market participation rate every year.

Thus, for the Western labour markets the Central and East European countries (CEECs<sup>6</sup>) that in 2004 started entering the EU, represent a double-edged sword. Firstly, they can be regarded as a *quantitative threat* to the Western labour markets. At least this is the case with the labour markets that prevailed throughout the modern industrial era. Secondly, however, the potential effect of the CEEC’s newly mobile labour force can be seen as a *qualitative opportunity*. At its best it could redress the imbalances caused by the above-mentioned demographic and participation effects (Layard et al. 1992, 8-9).

As Europe grows more and more integrated, the major all-European question is, thus, *which* of the two aspects will prevail. Moreover, their effects should be assessed *both* in the old EU Member States *and* in the CEECs. One of the key issues in dealing with the changing scenario is the impact that

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<sup>6</sup> Includes here the European Post-Soviet states, Moldova, Belarus and the Ukraine.

the regional or cross-border East-West labour markets may have on the potential future flows of labour force. It should be kept in mind that the external borders of the EU and the dynamics related to them will keep shifting towards the East with the next enlargement most probably in 2007 and Turkey beginning membership negotiations in 2005. Not only *border regions* but also the institutional arrangements linking the various functions within them and referred to in an earlier text as *border spaces* (Karppi 1999a, cf. Karppi 2004), are seen here as parts of the new European social and economic landscapes. This brings to the fore globally operating enterprises and their networks.

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### 3.3. Spaces, places and filtered labour force flows

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No other man-made social structure reflects the changing spatiality of economy more aptly than globally operating organisations in general and transnational corporations (TNCs) in particular (Scott 1996; cf. Thompson et al. 1995). Thus, economic space and the organisation of global economy with its network forms of interaction especially appears to an individual TNC executive simultaneously as a place in the world and a representation of *the* world most relevant to her or him. Conversely, to the TNCs and their globally designed systems of (corporate) governance, the globe – or the system of *economic virtual spaces* representing it in the form of commodities trading and financially motivated decisions – is an operating environment of the perfect size.

A visible outcome of the process through which the giant corporations produce alternative global structures is the diversified segmentation of the world into highly developed rich metropolises and less developed peripheral regions. The Fordist era was marked by the expansion of the then prevailing Western model to the Third World, with due implications in the division of labour and chains of dependence (Swyngedouw 1992, 74; Rees 1985). Now the picture is much more unclear. *Internal labour markets* with their conceptual kin “*internal direct investments*” – both to be discussed below in more detail – are prime examples of mechanisms making both the picture and the reality it seeks to correspond to increasingly complex. They both constitute flows that cross national boundaries, thus leading from one *economic region* – in a geographical/territorial sense of the word – to another *without crossing the boundaries of a corporate entity*, and thus leaving a single *economic space*. They encompass a wide variety of different regions and socio-cultural

practices within single operational business systems (cf. Hofstede 1994; Bartlett & Ghoshal 1998).

In Scott's (1996) frequently cited sketch of the future form of global capitalism, the regionally run network economy is given a central position. In his model the "regional motors", each having its metropolitan centre as a nucleus, form a dense and multi-channelled network of interaction within what used to be called the First World. Each of the metropolises has its own immediate and prosperous hinterland. In Europe the territoriality of such a zone is, firstly and foremost, built on the territoriality of the old EU Member States. Scott's model has other categories as well. In Europe the region adjacent to the EU beyond its eastern border both before and after the 2004 enlargement consists of *former Socialist economies*. It could be called a European variant of the *extensive economic frontier of global capitalism*. Just like the global economic core areas, the frontier zone, too, has a diversified system of central and peripheral regions. Some features of Scott's model are further developed in Figure 3.1 (cf. Karppi 1999a, 138).

In Scott's (1996, 402) terminology, Region X in Phase **a** of Figure 3.1 could represent the system of metropolis and its prosperous hinterland ("the spatial system of the European West"). Consequently, Region Y could be taken as an extensive economic frontier with its relatively prosperous core ("the spatial system of the European East").

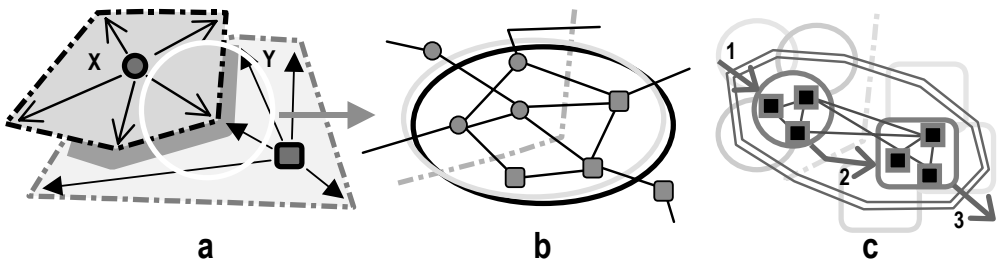


Figure 3.1. Changing dynamics and actors of cross-border interaction.

The most conservative interpretation of Phase **a** depicted in Figure 3.1 would present the entire model as a traditional set-up of two territorial states, separated from each other by internationally agreed and duly institutionalised border. However, such a state-centred interpretation is not the only possible one. Instead, the model may well encompass a wider range of polities as units of territorial governance (e.g. autonomous regions or transnational communities), whose respective border-related policies may range from economic development projects to security issues, depending on the regional



level in question. What should be taken into account here – particularly as we refer to territoriality of command and dependence – is that in each of these cases the policies and measures taken within the given spatial settings are defined in the centres of the territorial units of X and Y.

Interaction becomes more diversified as we take a closer look at Phase **b** and the processes taking place in the border zone, seen not as an excluding boundary but as an *interface between regions X and Y*. Such a structured state of cross-border interaction presupposes major institutional changes in border regimes based on the Realist concept of a state. For the micro-economic actors involved in cross-border operations, the particularly important changes are those promoting permeability. Simultaneously, on macro-level, changes as described above are required to facilitate the promotion of stability and mutual trust, as deemed necessary by the states. Finally, individuals, enterprises and states alike should be able to identify mutual (Pareto-superior) interests through intensified cross-border interaction and reduction of the friction caused by a barrier-like border. This, to a great extent, is the basic ideology underlying particular cross-boundary Euroregions, with a specific element added – an element of particular importance as we speak about the changing border regimes as divisive elements. What is referred to here is *stability and the pursuit of shared interests through a common European (EU) framework*.

Such prerequisites should be fulfilled to a satisfactory extent in Phase **b**. In it we see how numerous networks have been created and, importantly enough, empowered to cross the economic border that still separates – even if to an ever decreasing extent – the two different regions from each other. Phase **c** is an even closer look at the processes taking place in these networks.

Phase **c** is reduced to its very basic elements. It describes only the cross-border networks between two organisational units as well as networks between and within their sub-units. The numbered chain of events can stand for various processes. In the case of direct investments *Arrows 1* and *3* symbolise “traditional” investment flows, either those acquired from external sources (*Arrow 1*) or those invested in some external instance (*Arrow 3*). In the case of human mobility these arrows symbolise the functioning of traditional, or “external”, labour markets. The following chain of arguments emphasising the most elementary issues from the viewpoint of cross-border labour force mobility is adapted from an earlier paper on the topic (Karppi 1999a).

Firstly, *Arrow 2* symbolises the intense interaction between two organisational units. One aspect of this interaction is the internal labour markets

(ILMs) that consist of vacancy chains crossing geographical and divisional boundaries *without leaving the intra-firm economic system*. This, in turn, consists of clusters of specialised jobs for qualified labour force (cf. Pinfield 1995, 10, 63, 109). In the case of investments it illustrates a process that could be called *internal* direct investments (“IDI”), a concept parallel to the established concept of foreign direct investments (FDI) (cf. e.g. Moran 1999). In the global economy with the expanding networks of transnational corporations the IDI has in fact emerged as the *main* form of direct investments (Caves 1992; Scott 1996, 396). These two operational areas describe how major aspects of cross-border interaction have been to an ever greater extent gradually *internalised* as organisational chains of decisions.

Secondly, the double-lined boundary that closes the system of two organisational units describes the needs of the organisations to enclose parts of their surrounding space as a specific area within their immediate operational reach (cf. Williamson 1985, 98; Blair & Kaserman 1983). By taking these measures they seek to protect themselves against the incident of the unexpectedly changing environment. This *meso* formation of linkages, information flows and transaction can be referred to as an *economically specific social space*.

Thirdly, the peculiar element in Phase **C** is the contested space of overlapping organisations. In this space the model of organisation and its environment is *not* a simple division into an organisation and its opposite, something that could be defined as “a non-organisation”, if not “disorganisation” (cf. Burrell & Morgan 1994, 398). However, the image raised by the latter term is easily called to mind from Phase **c**, and, indeed, it is possible to speak about the complexity of organisational environment that verges on a chaotic clump of actors and networks. For the sake of simplicity suffice it to say here that the social space formed by the organisations is seen to be surrounded by an environment consisting of new and again new organisations – and institutions largely designed by them (cf. Karppi 1996, 103; North 1993; Zucker 1983).

Networks as described above weaken the geographical bindings as constraints which have designed national cultures and regionally differing civilisations. In some sense it is even possible to postulate that the straightforward division into three worlds (cf. Hettne 1996; Ryrie 1995) has ceased to exist.

Innumerable operational and spatial units in most countries and regions of the world *are* today connected to the global networks of one business giant or another. Their value-adding chains cover a wide variety of functional entities ranging from the raw material sources and processing lines to retailing outlets, all connected with each other by an endlessly rotating logistic processes re-

flecting both the skeleton and nervous system of what were called economic virtual spaces or entire *virtual economic worlds*. The real differences and ensuing conflicting interests may also cease to “obey” national boundaries and the public interest as represented by governments separated from each other by these boundaries. Instead, the conflicting interests may now occur *within* the “state-territorial” units, that is between Region 1 enjoying the presence of Corporation A and Region 2 not enjoying it, or Region 3 having Corporation B and its business units situated in it (cf. Moran 1999, 17, 38).

The World map depicting the most rapidly developing centres and the regions that lag behind is now more fragmented than ever. This is a practical consequence of the intensive utilisation of asymmetries existing – or having been *included*<sup>7</sup> – in the global economy as one operational system. This, in turn can be derived from the global liberalisation of economic systems, marked in the 1990s by the birth of the WTO. These basically institutional transformations reflect the revolutionary developments in technological structures that make it both possible and necessary to utilise the globe as one operating space.

The really ingenious element in this development is that it is difficult to criticise from the traditional approaches embedded in the North-South developmental debate. This, in turn, becomes simultaneously exposed as a bird of a Fordist feather, centred by nationally differentiated industrial paradigms. After all, in the new global economy, *some* regions from the South are now included in the same networks and an economic civilisation as are the financial headquarters in the global metropolises (Ansell et al. 2001, 69). Moreover, this process *has* in many cases given the network’s Third World partners at least some important means of modernisation and catching up with the industrialised world. Yet, some important questions emerge regarding the *stability* of their position: how enduring are the commitments made through the corporate networks, how unique or ubiquitous are the inputs the Third World partner (or *any* peripheral partner for that matter) provide to the rest of the network partners, and, consequently, how *virtually* are they connected to the metropole-driven global net?

A presumably unintended by-product of the *virtualisation of space* has been a growing virtualisation of what the spatial aspect *de facto* represents to economic life. However, this virtualisation can be regarded as a most understandable and logical consequence of developments taking place in the economic technostructure. Yet, by creating abstractions it distances individuals – those trying to grasp what is taking place in their economic environment – from the prevailing mode of production.

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<sup>7</sup> Here the 2004 enlargement of the EU to a post-transitional territory is a case in point.

It does not have to be that way, and, for the huge majority of world's population it certainly is not. For them harvesting is a real life experience that does take place somewhere – as does fishing, mining or oil drilling. A reminder of this *place-takingness* of economic basic processes is that *not all circumstances allow any form of utilising the space*. However, from the viewpoint of enterprises pursuing flexibility through the globally extended networks – whose only real return on capital invested in them may be the accelerated pace of doing business<sup>8</sup> – this certainly is an annoying encumbrance.

These changes and transformations are unavoidable pieces of evidence in the analysis of the relationship between individual and the physical space, space that can be measured for instance as physical distances with due time and information costs. In overcoming these inconveniences transnational organisations are in most cases proper tools, a fact proved by the mere existence of these obviously complex systems. However, by introducing and implementing innovations designed to shrink physically based distances in economic spaces, newly organised modes of action re-construct the macro foundations of social spaces. Simultaneously the traditional system based on social institutions operated through the framework of nation states and national economies encompassed by them has ceased to apply.

Being installed in the “real” context of changing international political, social and economic order, in some cases the entire question assumes particularly interesting forms. Among such phenomena is the case of East-West integration and its effect on the conditions of personal freedom in Europe, as marked by the free mobility across the national borders. A closer look at the recent developments makes it hard to be convinced that the “Free West” and the “Newly Liberated East” are the only, even if willingly fitted, roles for the two territorially nested communities of actors on the European scene.

Free international mobility for the East Europeans used to be a standard Cold War era demand of the West. During the decade that followed the 1989 “revolutions” it became obvious, however, that more than a serious requirement to be taken at its face value this was to a great extent a political slogan. A thought-provoking example of the current hypocrisy embedded in transition-related questions with obvious resemblance to the case of free movement – as presumably derived from Western liberal democratic values – was presented some years ago by Horne (1997). She maintains that the United States used its powerful anti-dumping laws against the East and Central European non-market transition economies of the 1990s in a particularly strict manner, compared with its policies *vis-à-vis* its traditional allies among

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<sup>8</sup> And the need to re-engineer *this* in turn imposes on organisations that otherwise tend to be institutionally too inert.

the developing countries. At least partly, though provocatively put, this may be regarded as a policy that *de facto* prevented the CEECs from developing industrial sectors with competitive advantage and abilities to stand in equal trade relations with the West.

An interesting aspect in the early integration process between the European Union and the CEEC, less creditable to the West, has been its attempt to find a *politically correct way* to prevent the expected inflow of East Europeans – and a range of products manufactured by them – into the EU area. In this process the Europe Agreements as the major tools programming the CEEC's subsequent steps on the road to full membership were most useful (Biukovic 1997, 490-491; cf. Winters & Wang 1994).

The Agreements' restrictive immigration (as well as trade) policies have to be operationalised – particularly with the regulatory steps not in vogue in the international economic relations of the 1990s. Thus, the TNCs were made to serve as exceptionally useful tools. Due to the globalisation of businesses the corporations have managed to assure the policy-makers of a real-time balance-sheet for their need for human resources in the West European industries. These resources, *people*, were most effectively selected and imported from the CEECs and other non-EU areas through their internal – or, more to the point in the current context, *intra-corporate* – labour markets (ILM). That tailor-made system of staffing and human resource management for key professionals and specialists (e.g. Pinfield 1995) has already been discussed in this chapter.

Given the Western sentiments of superiority in the face of the alleged moral bankruptcy of the Communist societies, something essential could well be concluded from what was merely *suggested* above. For a vast majority of East and Central Europeans the 1989-1991 collapses of coercive Communist regimes did not necessarily result in any self-evidently enhanced personal freedom as far as choosing one's country of residence is concerned – particularly if that country happened to be located within the EU. Instead, while seeking to emigrate they were obliged to subject themselves to a *system of selection* whose constantly changing terms were and still are increasingly set by the global markets – not by a (Communist) *state* deciding whether or not it lets its citizens out<sup>9</sup>.

While assuming this “filtering role” corporations have created a new type of dependence the employees – or more correctly even the *prospective* employees – have to accept. In these circumstances quite a few individuals may

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<sup>9</sup> Even after May 2004, citizens of the new Member States faced restrictions with regard to their free mobility to the old EU labour market area.

be willing to sell their labour to the employing enterprise in order to seek a better position in the selection system, even if it means lower monetary returns for them<sup>10</sup>.

What can be found here, because of its non-market elements, is in fact a regulatory relationship that has been added to a pure capitalist work process, based on paid labour and the value the process adds to the output. Now, in contrast to this, the incomes of the “filter-seeking” employees cease to depend on the market validation of their performance (cf. Dunford 1990, 303). Thus, the system favours enterprises *trading these filtering functions* to the Western governments afraid of a mass westward exodus. But the enterprises can and have benefited from the economic anxiousness of the CEEC governments as well. An illustrative example is the Czech Republic, of the early transition period. Here enterprises with foreign capital participation were subject to the general anti-inflationary wage regulation policy (Conditions... 1995, IV/9-IV13) that conveniently enough “made” them keep the wages paid to their Czech employees low by any Western standards.

In fact, TNCs as well as the corporate sector in general have another crucially important role with regard to the West European “public” interest in the transitions in CEECs. In this respect we are talking about *micro level transitions*. Western corporations *can* foster the switch to a market economy by spreading knowledge as well as technological and managerial innovations. While taking advantage of lower production factor costs in the CEECs and conquering new market areas they participate in closing the “gap of asymmetries” between the East and West of Europe (and of the *EU*), thus presumably alleviating *some* of the Westward migratory pressures (cf. Buchan 1993, 124). They could be called consumption originated or demand-side migratory pressures<sup>11</sup>.

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<sup>10</sup> This feature varies among enterprises with differing degrees of foreign ownership-based control, pointing at interesting implications discussed briefly in the subsequent chapters.

<sup>11</sup> The impact of the-above mentioned “micro level transition” with more and more firms from the West established may be associated with enhanced resources of external or *material* everyday life-management for individuals and families connected to these firms. What we see as penetrating their lives is a combination of 1) new job opportunities in a growing number of Western firms, 2) enhanced self-esteem based on the realisation of one’s own ability to cope with the tasks in them, and 3) the world-wide brands and product/corporate images linking the spheres of their daily life and work to the production and consumption of global trends. “Substitution” of emigrating with the means to assimilate to these market-based trends, however, is available only to limited strata of society and its labour force. On the other hand, for them staying in the country of origin and seizing the opportunities provided by the prospective career advancement in an international employer that operates on emerging markets may produce the highest conceivable *relative* enhancement in their living standards – relative to those not sharing

For the West the rather evolutionary “model” of alleviation described is still not enough. The measures taken by the TNCs are thus complemented by the governments of potential destination countries that in many cases have both quantitatively and qualitatively adjusted quotas for accepting “ordinary” immigrants or “non-privileged” people not equipped with the strategic skills especially valued by the TNCs but having other qualifications the receiving countries can benefit from.

A striking aspect in this system is that it may leave the immigrant with his or her (most usually his) family in a perpetual state of insecurity. The government-operated quotas change due to the changes on domestic/EU European labour markets, meaning that the original demand for the individual occupying his niche (or, indeed, a personally structured social space) in the quota may suddenly vanish. This subsequently turns the immigrant employee into surplus labour force with no legal rights to work, sojourn, social security, or education for his children.

Within the economic network-world of the TNCs the changes may be even more profound, taking place virtually overnight. Entire corporate divisions representing branches of production may be bought or sold, merged or reorganised by the interests of the key players among the most important financial institutions and through the globally most important stock exchanges. The widening gap between the production and ownership functions has obvious consequences. At an individual level this means that an individual is less and less able to assess how secure his position in the organisation is, no matter how thoroughly trained a professional he is to master the tasks specified in his job description.

For individual employees work organisations constitute social *meso* spaces that most effectively structure the space operated by global capitalism. This feature may be linked to the ideas suggesting that the contemporary logic in the international political economy leads to specialisation in which the most advanced economies would employ the globally best educated professionals, whereas the less advanced economies would have to run the processes employing the global blue-collar labour class (cf. Scott 1996, 401)<sup>12</sup>. If a prevailing trend, this would further highlight the importance of globally operating organisations. They can be regarded as particular social

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their employment-related positions. Moreover, moving to the West and being obliged to compete for jobs may in many cases still lead to disappointments and relative decrease in the standard of living –relative to the new Western competitors.

<sup>12</sup> The global restructuring of industrial relations linked with the breakthrough of the new logic of production has interesting historical parallels with the “birth” and institutionalisation of paid labour having taken place simultaneously with the breakthrough of large-scale industrial production in the 19th century (cf. Jacques 1996).

spaces for the educated of the economic fringe areas to escape their structurally induced destiny as it might otherwise be.

The European Commission has also acknowledged this eventual dynamic, at least implicitly. On 30 July 1997 it adopted a proposal for a Council decision establishing a convention on rules for the admission of third-country nationals to the Member States of the European Union (Bulletin EU 7/8, 1997). The proposal was one in a series of attempts to include the treatment of immigrant labour force in the functioning of (European) Internal Market, as outlined already in the 1986 Single European Act (cf. Nielsen & Szysczak 1997, 123). However, its practical consequences both on the level of individuals seeking to enter the EU as regular migrants and with regard to the communities of third-country nationals within the fortress Europe may be substantial.

The empirical findings discussed e.g. by Karppi (1999b) may indeed suggest that TNCs are getting ready to assume the role of a selection mechanism for young key professionals for the EU European labour markets. Some of the findings summarised here show that professionals working for the TNCs seem to respond affirmatively to this privilege. Transnationally operating organisations can thus be seen both as *filters or gateways in international migration* of labour force and *cores of economic space* channelling a substantial part of transboundary labour force flows. Thus, the extent to which the TNCs are capacity-builders for the present and future human resource needs in the economies that still are going through their transitions must be questioned. Counter-weighting this seemingly altruistic behaviour are their needs to balance their own projected demand for qualified labour force in the pre-2004 EU area.

These suspicions indeed threaten to tarnish the eventual image of the TNCs as the actors maintaining and developing the transition economies' human resources (*ibid.*, 108). This is a very sensitive issue and certainly not easy to be raised with human resource managers in the politically still easily oscillating environments. Instead, what can be done easily is to study the propensities as indicated by the employees in various enterprises, and to relate these findings to what is already known about the overall propensities to emigrate. Another reference point in this respect is the possibilities that an employee may be included as one link in cross-border – or, indeed, global – vacancy chains, opened by the TNCs. So, if the TNC employees show a particularly high propensity to emigrate, are young and ever better trained, and already members of a multicultural work community (which, even more importantly, is a system allowing their cross-border westward mobility without obstacles otherwise possibly placed by EU), it is only natural to maintain



that the TNCs constitute a major gateway for an outflow of strategically important human resources.

But how is it with these propensities? First, the difference between the joint ventures (JV) with partners and capital from the West and a transition economy on the one hand and the TNCs on the other is obvious. To begin with, the empirical analysis referred to above found a two-percent level of “immediate emigrants” from the entire sample of respondents. In the TNCs and among the young academically educated their share was more than 6 per cent, by far the highest in the entire sample. Surprising as it may sound, the *lowest* level of immediate young academic migrants was found in the JVs – and this phenomenon was common to practically all cities covered by the research (cf. Table 3.1). Thus, foreign capital *per se* invested in a transitional enterprise appears not to be a crucial factor to increase the migration propensities of the labour force within its sphere of influence. Instead, the key issue seems to be the processes through which the operating unit in a transitional environment is embedded in the networks where transboundary investment and staffing decisions are made.

*Table 3.1. Most articulated and immediate plans to emigrate as indicated by the respondents*

Respondent segment	Respondents with most clearly articulated plans to move abroad
Entire sample	2.0
Bratislava	3.3
Prague	3.4
Tallinn	1.4
St. Petersburg	0.7
Young academically educated:	
• Westward oriented in general	6.3
• Westward oriented in TNCs, all cities	8.6
Young academically educated in TNCs in:	
• Bratislava	13.3
• Prague	12.2
• Tallinn	4.1
• St. Petersburg	1.1

The highest levels for immediate willingness to emigrate among the young academically educated are shown with striking percentages for TNC employees in Bratislava and Prague. Their indicated willingness doubles that shown by the young academics with the most obvious westward orientation in general. In the Baltic Sea area the willingness seems to be on a generally more modest level among all respondent groups, young or old, academic or non-academic. Yet, it is nevertheless obvious that if TNCs constitute an exceptionally fluid channel across international borders, they also attract people that are particularly prone to use them, turning for their part the basic willingness to actual propensity.

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Some of the empirical findings can be linked to the highly specific dynamics with a major impact on the propensity to emigrate, relative deprivation (cf. Runciman 1966). An individual normally tends to assess the improvement or deterioration of her or his living conditions or the perceived level of need satisfaction relative to the perceived state of one's particular reference groups. In this context, migrating can be easily seen as a response to an unsatisfactory situation, a factor pushing the migrant to seek for better living conditions, an economically more secured future, or some other advantage.

This phenomenon is very obvious in all population and human resource groups. However, the following review is focused on the most explicitly westward (EU area) oriented members of the young labour force (aged 35 or less) employed by the TNCs. The key parameters of the analysis are changes in purchasing power due to the change of employment and the propensity to emigrate. The findings fit the model with some implications that surfaced in Chapter 2 of this volume: a relationship between *resources needed* for emigrating and the willingness to emigrate. Propensity to emigrate may well be a two-tailed phenomenon with *both* the deprivation *and* the adequate resources aspects involved in the process.

Table 3.2. Changes in purchasing power after changing to a new job in a TNC related to the propensity to emigrate among young, westward-oriented respondents

Cumulative propensity (modified)	CHANGES IN PURCHASING POWER DUE TO			Total
	Positive	No changes	Negative	
NO thoughts of working abroad	17.2	27.8	-	14.1
Some basic readiness to consider emigration	78.0	72.2	91.7	78.9
Clearly expressed intention to emigrate	9.8	-	8.3	7.0
Total (N)	100 (41)	100 (18)	100 (12)	100 (71)

Due to the limited number of observations (71) the distributions illustrated here are only indicative. However, they match perfectly with the dual effect just described. The two “tails” can be observed in the distributions. Both higher purchasing power due to the change of job (providing the respondents with more resources) and the decreasing purchasing power (resulting in respondents’ perceived deprivation) seem to coincide with high immediate propensities to emigrate. On the other hand, a stable state of purchasing power development is reflected in particularly low propensities to emigrate.

None of the young TNC respondents with a clearly pronounced West European orientation and decreased purchasing power creating at least a risk of deterioration in their living conditions are represented in the first category marked by absolutely no intention and previous thoughts of even working abroad. This may speak for a certain *push* effect, and hence a rather high propensity for immediate emigration. However, the propensity of the respondents with improved purchasing power is quite obviously greater, speaking for the importance of the adequate resource base as a means to take advantage of the *pull* of the Western labour market in case such a pull should exist. Those in the stable state of wage development seem to consider the possibilities of emigrating but, as noted earlier, may lack the incentive to make the move.

The findings can be given a more general interpretation as well. The transitional state, with many things that have an effect on one’s everyday life changing, constitutes in itself a platform to trigger different kinds of behavioural patterns deemed radical in more stable institutional environments. Con-

sequently, the overall stabilisation with the transitional state of development gradually replaced with deeper integration into the all-European developmental trends is likely to reduce the individuals' need to resort to "radical" forms of behaviour as a means of enhancing their perceived living conditions.

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### 3.4. Impact of social networks

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As a phenomenon migration is not merely a matter of structural constraints to which human beings react in a more or less mechanical fashion. Thus, explanations that relate to economically constructed formulae of rationality do not capture the complexities that underlie an individual's ultimate decision to move from one place to another. Especially in *international* migration political and ethnic questions or events of environmental origin may frequently dominate as the precipitating factors.

Thus it is no wonder that analyses of present and future migration flows are largely linked to the political, socio-economic and ethnic conditions in the potential migrants' country of origin. An equally important factor – though differently connected to an individual as a potential migrant – can be traced back to the various interpersonal linkages between an individual and the country he or she may eventually select as a destination country. In broad terms the conditions of the sending area or society can be referred to as *push* factors and the conditions of the receiving area or society as *pull* factors (cf. e.g. Karppi & Rantala 1997). However, an individual migrant is often affected by *both* push *and* pull factors: they constitute complementary parts of *a selective mechanism of international migration*.

This text attempts to outline a more process-based approach to European systems and mechanisms of human mobility across the still far from insignificant borderline between the two asymmetric economic entities – the European Monetary Union (EMU) centred old West and the new entrants trying to catch it<sup>13</sup>. Thus it is important to briefly analyse the spatio-temporal properties of deprivation and networks.

A simple and very rudimentary model, such as that illustrated in Figure 3.2, that only takes into account the *spatial* properties of the migratory process would easily mislead us. Determined by the two factors discussed here the model would obviously try to convince us that since deprivation occurs

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<sup>13</sup> Eskelinen & Liikanen & Oksa (1999) have aptly characterised the replacement of the Cold War Iron Curtain with the post-Cold War *Golden Curtain*. (On prerequisites for setting the East-West boundary in one European region cf. Karppi & Retailliau 2003, 172-173).

mainly in the area of origin, it would be the decisive variable triggering the process. If a process does not have a clearly identified beginning that constitutes a kind of “action threshold” (Granovetter 1978, 1424; cf. Macy 1991), it would hardly make any sense to go into one of its later phases – in our particular case these phases being the networks that are supposed to direct the subsequent path(s) of migration.

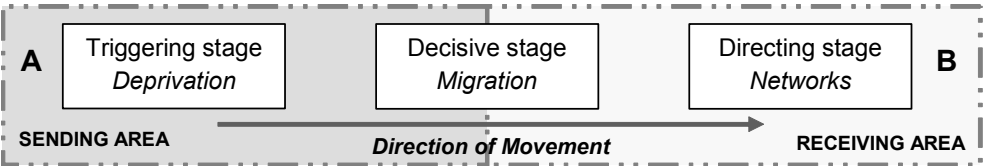


Figure 3.2. Spatial properties of the three key elements of migratory decision studied.

The processual nature of more permanent migration patterns and thereby constituted *migration regimes* (Pilkington 1998, 20; Karppi & Rantala 1998) of an evolutionary or *emergent* nature, becomes more obvious when instead of “stopping the world” at a given state of affairs we add a temporal component to the model as outlined in Figure 3.3. Now the expatriates from a previous wave or “generation” of migrants clearly constitute an institutionalised ethnic community as an “ethnic home-base” and a culturally adjusted source of information for those in some later instances selecting target areas for their potential emigration.

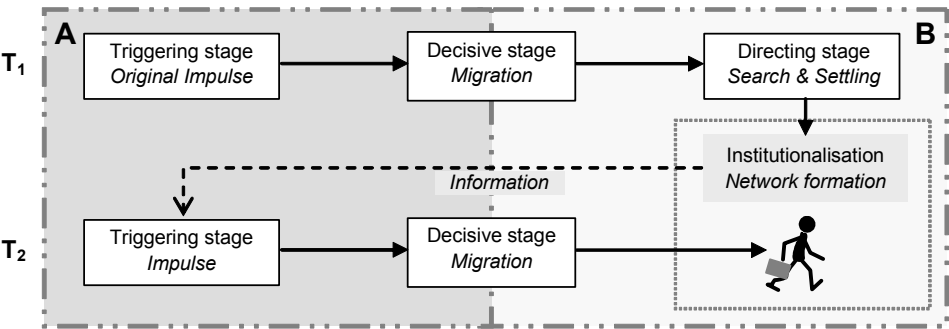


Figure 3.3. A modified model of three key elements of migratory decision with temporal component included, depicted as a two-phase (T<sub>1</sub> and T<sub>2</sub>) chain of successive migrations.

Not all networks are alike. Neither are all situations with real or immanent threat of deprivation comparable with each other. Moreover, the impulses vary over time, depending, for instance, on the overall level of development of the sending society at the time of each triggering stage identified in Figure 3.3. The original impulse for the first-generation emigration may well have been a traditional or “voluntary” one with a migrant’s prevailing aim to seek prosperity and – not so surprisingly – adventure (cf. Karppi 1997, 95). Such an impulse, comprising an idea of upgrading one’s material status of living, can also be referred to as an economically induced or “ordinary” cause for migration.

This voluntary, ordinary or economic cause for emigration used to be particularly prevalent in the East-West migration that followed the first-wave impulses before the strong institutional restrictions such as the Communist emigration laws set to limit and even block the hitherto relatively free movement. In the case of the former Soviet Union that was as long ago as in the 1910s – and in the case of the CEECs in the 1930s and particularly in the late 1940s. Between those years and the 1990s, large-scale waves of emigration were identified in two of our case areas, Prague and Bratislava. They occurred in the context of the single most significant social and political turmoil in Cold War Eastern Europe, the Prague Spring and the Soviet-led Warsaw Pact invasion that ended it in 1968 (Karppi & Rantala 1998, 166–168). The root cause for migrating, not to mention the overall social context only highlighted the fact that the selective mechanisms now ended up pointing at a different community of potential migrants, whose motivation was not merely economic but also political.

The time span that seems to grow wide between the historical formation of more extensive expatriate communities in the potential destination countries and the contemporary individual migratory decisions, leads us to add an interesting new element to the temporal component discussed above. The findings from the four regional cases do indeed help us to draw a picture with differently profiled migratory regimes, based on the historical formation of expatriate communities that have established social networks in the receiving area (*ibid.*).

The following discussion will be simplified by taking into closer consideration only one aspect of the networks, their temporal accumulation due to a more or less continuous flow of emigration of varying intensity among new migrants. The following method was chosen to facilitate the construction of and further work on the profiles of temporal accumulation. As the first phase, the 3,062 respondents in the four case cities were asked about the past emigration of their family members, relatives and friends (cf. Karppi & Rantala 1998). During the Cold War era and on the level of entire populations this question had concerned numerous state security organs – the Soviet

KGB in particular. Yet, despite this somewhat unpromising historical embeddedness, the respondents were even surprisingly willing to answer this question. Based on their answers, a set of profiles, illustrated in Figure 3.8 was designed.

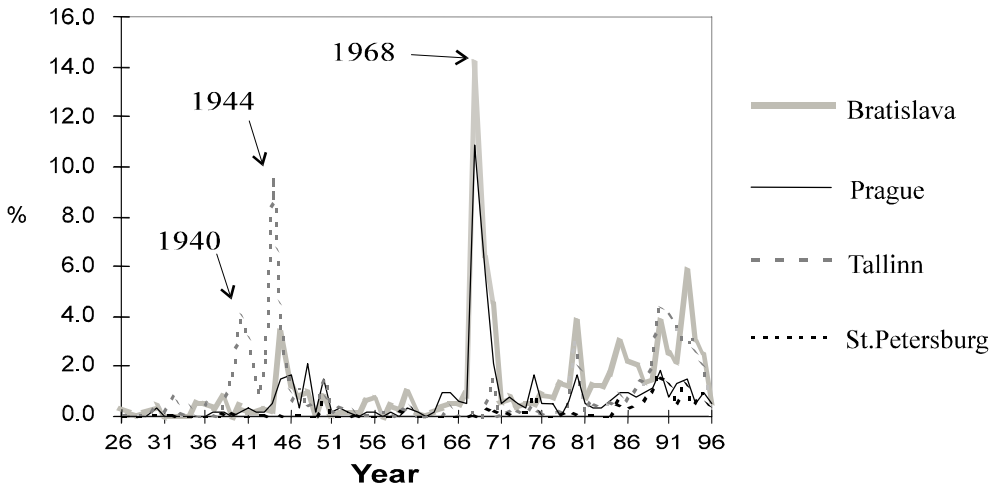


Figure 3.4. “Emigration waves”. The four city-based profiles indicate past emigration frequency of the respondents’ family members, relatives and friends. The migration flows are shown as percentages, adjusted to the sample sizes, which makes the four profiles comparable (adapted from Karppi & Rantala 1998, 168).

The profiles in Figure 3.4 require some explanation. They reveal the obvious impact of an external aggression as a factor precipitating the emigration waves. This appears to be especially the case first with Red Army (“peaks” of 1940 and 1944 in Estonia), and later with Soviet-led allied Warsaw Pact (1968 in the former Czechoslovakia) military intervention. What is interesting is that related peaks do not seem to occur so much in association with the German occupation of Czech territory in 1938 – or the Baltic States between 1941 and 1943 as a part of the gigantic *Barbarossa* offensive on the Eastern Front (Karppi & Rantala 1998, 166).

The virtually non-existent or at least imperceptible migratory movements, movements that one should have expected as of being constituted by the German threat, is indeed an interesting detail that leaves the field open to a variety of speculations. This is particularly the case when these “missing waves” are compared – as was done above – with the emigration peaks associated with the advancing Soviet military force. This finding suggests a “mental security map” of the Central Europeans with the West as a direction representing a safe haven during desperate times of external invasion. Instead, when the threat has come *from* the West, the preferred way out of the

situation has disappeared<sup>14</sup>. The East both as a traditional scene of ethnic tensions (Brunner 1996) and an overall context of political geography (cf. Ó Tuathail et al. 1998, 20) has obviously failed to serve as such a safe haven.

Instead of going any deeper into the details, the profiles will now be discussed more generally. The outcome of this change of perspective can be seen after a while. The original graphs presented in Figure 3.8 and discussed above will now be overshadowed by a set of newly designed curves. They seek to demonstrate the constitution of the most immediate willingness to emigrate, facilitated by particular threshold events – such as external invasions – on the one hand and social networks with the expatriate communities formed by earlier emigration peaks on the other. Another element with a slight resemblance to social physics will also be brought to the discussion: *gravity*.

In the context of the current discussion, gravity can be defined here as a social force attracting the potential emigrants and thus affecting the selection of their most attractive destination countries. Thus, it limits *de facto* the scope of their selection process, making one potential choice look more desirable than another. In Figure 3.5 the forces behind gravity become visible at point  $T_{x+1}$ .

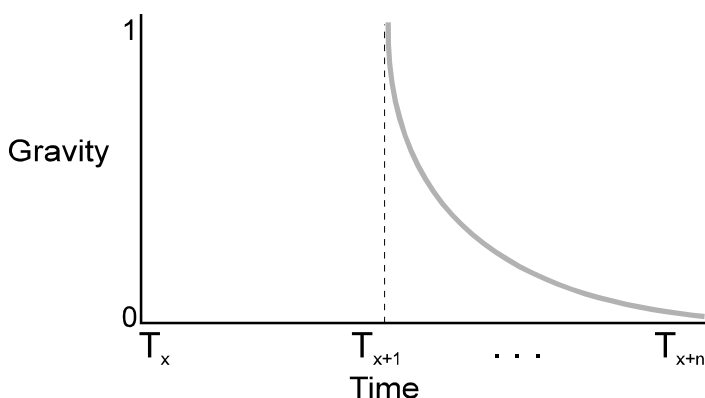


Figure 3.5. Gravity as a factor with declining influence over time.

<sup>14</sup> To be exact, such interpretations are possible only among the Czech and Estonian respondents. Facilitated by the 1938 Munich Agreement, the Slovaks established their own Clerico-Fascist state (cf. Hellen 1996, 90-93) accompanying Hitler's Third Reich in its Eastern Front war efforts. Thus, during the *Blitzkrieg* period Slovaks were not posed by German military aggression or a direct threat of one. In 1944 and 1945 the Slovak lands, however, became a battlefield of the westward advancing Red Army's "liberation" manoeuvre.



At point  $T_{x+1}$  a potential destination country may have launched a particularly attractive, even if selective, immigration programme with social security, educational and tax packages designed for key professionals and their family members. Between  $T_{x+1}$  and  $T_{x+n}$  the packages are either withdrawn or similar packages are introduced by other countries also seeking to attract the same professionals. Moreover, the eventual emigration pressure among the target group, having possibly accumulated between  $T_x$  and  $T_{x+1}$  may have been mostly alleviated at point  $T_{x+1}$ , associated with the original “emergence” of the migratory peak – a visible threshold event having *empowered* the gravity affecting the respective migratory events, both in the sense of conditioning and of facilitation.

As to a particular push factor – linked above with the question of deprivation – a migration peak may also be caused by new legislation in the sending country and deemed discriminatory by certain ethnic or minority groups living within its territory. It will be turned into gravity if (and when<sup>15</sup>) some country or countries are identified as particularly appealing safe havens or appear in the international media in a favourable light. In this case, too, the point in time, identified earlier in Figure 3.9 as  $T_{x+1}$ , can be marked quite exactly. However, there are “sources of gravity” whose impact cannot be identified so easily and whose location in the course of time cannot be exactly marked. Among these factors are the ethnic and social networks of expatriate communities.

In this respect gravity must be regarded as a particular quality possessed by the preceding expatriates having, more or less successfully, established entire emigrant communities in their destination countries. However, migration is a continuous process, and the “stock” or “mass” of expatriates constituting something reminiscent of measurable gravity is seldom if ever in a stable state.

New migrants may enter a territory more or less randomly but also based on rigorously made plans and calculations. Some members of the expatriate community may remigrate to the original sending country – or continue to another country along their *migration chain*. This may be either a randomised process of trial and error or a process with socio-economic cost-benefit analyses involved. The senior expatriates, having emigrated decades ago, pass away and some of the younger expatriates assimilate quickly through social and marital ties with the ethnic majority. The second generation mi-

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<sup>15</sup> As was the case in the summer of 1999 when the asylum-seeking members of Slovakia’s Roma community suddenly poured into Finland in thousands, at least to some extent associated with the country’s then forthcoming EU Presidency and high international profile generated by it, in addition to the country’s good reputation in the field of linguistic and ethnic minority rights.

grants may find themselves in a halfway house situation with a mixed identity between the original ethnic one, possibly cherished by some members of the community and that acquired evolutionarily and through assimilation (cf. Rex 1997). The question thus remains if anything coherent can be said of the expatriate community as a potential attractor to the newcomers.

The answer – however tentative at this stage – is affirmative. A specific “storyline” span between common features in the structuring of the expatriate community can be identified. In the course of time almost all the above specified changes and transformations affecting the expatriate community *do* contribute, in one way or another, to the decline of any given level of gravity – just as suggested in Figure 3.5. The only exception is the inflow of new migrating members to the expatriate community. However, the inflow as a means of pouring new energy into the expatriate communities has numerous inverse effects to balance. As a basic biological fact people get older. Their contact interface with the society of origin grows weaker and their actual contacts with it more occasional. Their “mental distance” from the sending society grows wider as their personal histories unfold after the meandering of their new lives in the receiving society. In the long term they all leave the expatriate community, one way or another, either of natural causes (death) or by choice (e.g. moving on).

Apart from the pure biological reproduction of the expatriate community and its obvious effects on the gravity determined by the number and age structure of expatriates – or reproductive capacity (the “mass”) of the community – the forms of the community’s social reproduction are particularly interesting. The assimilation processes differentiating the second generation emigrants from the newcomers were already mentioned. Moreover, as has been proposed in the preceding discussion (Karppi & Rantala 1998), the lengthening of the period spent in a new social environment widens the cultural gap to people entering this environment at some (substantially) later point in time, thus weakening the coherence of the expatriate community.

The *Weltanschauung* of the present emigrants is substantially structured by the contemporary social realities of their sending societies. The newcomers may thus find it hard to share and recognise the signals communicated by their expatriate co-nationals. They, in turn, have during their sojourn of years and decades and through gradual socialisation, learned to live not only *with* these signals but even *up to* them. In some cases, particularly in the United States – a major target area for many migrants all over the world – this has been markedly affected by the wider urban ethnic transformations associated with immigrants’ predominance in city districts recently abandoned by white Americans but not taken over by the black population (cf. Lash & Urry 1994, 173). New forms of urban cultures as well as institutions bearing them are thus generated,

forms that could hardly have been imagined by a potential emigrant trying to conceive of an image of “America” as his or her projected destination.

Additionally, the longer the time span between the institutional forms assumed by the expatriate community and the today’s actual events of emigrating, the fewer cultural codes the current migrants may share with the established expatriates. The new codes they are attached to reflect not only the present social reality in the society of origin but also the political, economic and cultural relations – both imaginary and real – between that society and the rest of the world. This is particularly true for the different generations of emigrants from societies in the midst of large-scale transformations – such as the still ongoing transition from Socialism to market-based Liberal Democracy in Europe. The new emigrants leave behind institutional environments dramatically different from those from which their forerunners often literally escaped. This most probably impairs their ability to correctly read the signals emitted by the established expatriates who entered the receiving societies during the Cold War era.

Finally, the breakthrough of a global economic order must be taken into account while assessing the abilities of people with given ethnic and cultural background to integrate in an environment of another cultural and ethnic composition. In fact, one of globalisation’s visible effects may be that the entire question of “pure” ethno-national cultures attached to individuals and social environments has become outdated. The world is increasingly filled with cultural enclaves, the contents of which are produced by immigrants and immigrant communities and also the culture, entertainment and tourism industries (cf. Beck 1998, 47-50, 65-70). Consequently, the culture shock experienced by the contemporary emigrants may be significantly milder than that experienced by their predecessors – as may be their *de facto* need for expatriate networks to cushion the newcomers’ anticipated collision with the recipient society’s cultural environment. What is deliberately left beyond this discussion emphasising the cultural aspects is the role and impact of the immigrant’s employment-based institutional networks provided by his or her employing organisation.

As can be seen, the setting is far from unproblematic. The expatriate community is not in a stable state but in a state of flux. It constantly receives new members who bring with them current cultural codes from the sending society and, as last mentioned, continuously reproduced amalgamations of the sending society’s cultural codes with the global cultural trends.

Thus, the expatriate community consists of layers of more or less mixed identities, perceptions of the causes and consequences of emigration, as well as shared inclusive and newly constructed exclusive cultural codes. It is almost beyond dispute that this combination of complexity and lack of uni-

formity *is* a major factor weakening the gravity. While discussing the inclusive and exclusive effects the temporal aspect becomes emphatically central. Different historical events have triggered *differently* motivated *emigration waves* of consequently varying combinations of individuals having thus become “selected” as target groups of different emigration waves. The very lenses through which they contemplate the receiving society and how it changes as a part of the global processes are different. One should be extremely hesitant to accept shared ethnic background as a sufficient condition for separating a given expatriate community as an entity with clear boundaries. It is hardly the decisive factor to constitute the community’s unequivocally measurable critical mass. Instead, the only common feature for many expatriates may be the fact that they *have left* their country of origin at some point in time and *entered* a new environment.

Despite these undeniable problems that call for a more socio-culturally sensitive qualitative approach to the generation gaps within the expatriate communities, the only thing researchers and policy makers often *do* have in their hands are the quantities of emigrants with a given ethnic background. Thus, it is important to see if any parallels can be drawn between the past accumulation of the “stock of expatriates” from the populations studied in this essay and the identified overall willingness or the conceptually far more challenging “propensity” to emigrate. Here it is well enough acknowledged that the stocks of expatriates studied here consist of the current respondents’ family members, relatives and acquaintances having emigrated in the course of time, constrained by the factors discussed above. On the other hand an important common denominator, considering the motivations for emigrating, can be derived from the historically most obvious contexts and circumstances under which the most significant migratory movements have taken place.

As we saw above, the emigration peaks (Figure 3.4) associated with the empirical findings are all associated with ultimate political instability; war, occupations and invasions. Moreover, in terms of economic development and standard of living, traditionally measured based on the indicators of economic development, the East of Europe has lagged and still lags substantially behind the West. It may thus be argued that the expatriate networks having been formed in the West have largely been formed because of *push* factors having prevailed in one form or another most of the 20th century in the societies studied. Instead, according to empirical findings (Karppi 1997, 95) it is obvious that after the Cold War the search for new experiences and the chances of seeing a broader strip of the world has tremendously increased the impact of *pull* factors in regular East-West labour force mobility that now assumes more and more of the standard forms of international mobility. However, as also suggested by Figure 3.4, after the immediate migra-

tory peaks, most notable in Tallinn and Bratislava, the post 1989-1991 overall political liberalisation appears to have lowered the observed emigration intensity in the four urban communities.

The connection between the historically accumulated stock of expatriates and their co-nationals now in turn making their decisions to emigrate will first be illustrated with a purely imaginary sketch (cf. Figure 3.6). It aims at showing the differences between two major approaches to the same phenomenon and their linkages to the concept of gravity. These two approaches are signified by two different elements. The first of them is the *number of emigrants* (depicted with dark grey bars) having crossed the border at a given point in time. The second is the historical phasing of their *accumulation* (depicted with a white curve) to proportionally form the stock as it now exists. The black curve stands for gravity attracting the new migrants of the same ethnic background at each point in time by a varying volume. The three points in time, identified as A, B and C represent the local maximums in gravity, appearing in different turns of history.

Emigrating, given the past “history” as it has been recorded in Figure 3.6, from the very first observed incidents of cross-border mobility on, reaches its first identified peak at Point A. Until that all three indicators studied have been on the steady increase. The “accumulation” graph measures the development of the expatriate stock over the entire period of time pictured in Figure 3.6, being thus naturally “compelled” to continuously increase towards the 100 per cent mark at the final end of the recorded time period. The “number of migrants” bars show that each year until point A more migrants have crossed the border than during the year before. Finally, the gravity curve indicates that the steadily growing community has also meant a steady growth of the mass that attracts co-nationals of the same ethnic origin.

Between Points A and B the trend changes. First the number of new annual emigrants decreases below the Point A level. The factors weakening the gravity, discussed above at some length, start to take effect, and the numbers of new annual entrants are not sufficient to keep the gravity on the level reached at Point A – even if the entire stock of ethnic migrants *does* increase. At Point B the external effect unexpectedly comes into view. A record-breaking number of migrants, more than during the whole of recorded history, crosses the border. Suddenly the vast majority staying behind see their social networks and personal linkages spreading all around the world, concentrating in those countries deemed most approachable given the external effect that triggered the exodus. For many with few previous ideas on the possibility of emigrating, “trailblazers” (cf. Karppi & Rantala 1998) or earlier movers from their own spheres of life now lower the threshold to emigrate.

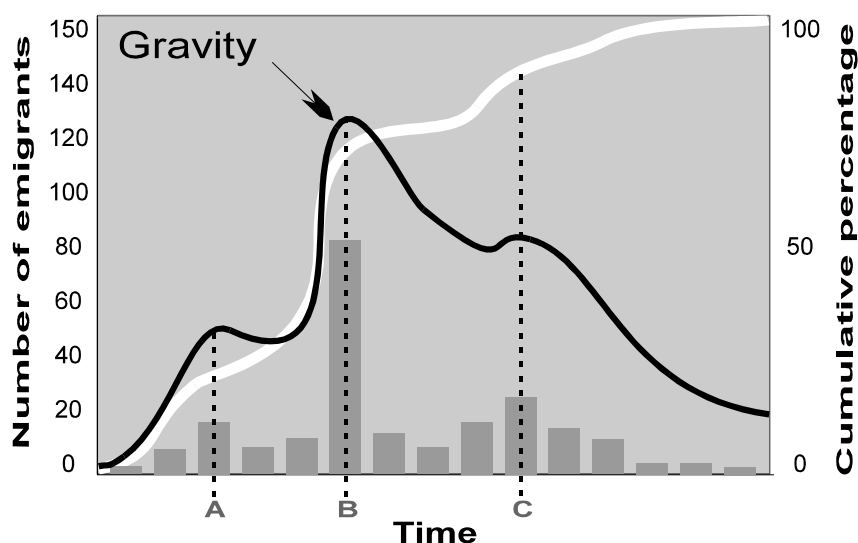


Figure 3.6. Gravity as a phenomenon associated with a) the number of emigrants crossing the border in a given point in time (grey bars, scale on the left-hand side) and b) the accumulative percentage of all emigrants having crossed the border (white curve, scale on the right-hand side) within the period of time studied.

After the external effect – be it for instance war or famine – is removed or significantly alleviated, and hence ceases to exist, the numbers of annual emigrants fall to the more or less “normal” level, followed soon by the gravity curve. Indeed, much of the aggregate migratory pressure from the population studied may well have diminished for a while – provided only that no new external effect emerges. The argument should be plausible due to the fact that quite a few individuals with an emigration threshold lower than that of the population on average *did* recently emigrate due to the external effect.

Between Points B and C the gravity, due to the recently established extensive expatriate community, remains high – yet gradually weakening. Now the different layers of expatriate cultures and differences in the experiences having preceded the decision to emigrate also start to differentiate the expatriate community. The layers grow more and more heterogeneous. Assimilation, expatriates’ marriages into the receiving community as well as return migration after the stabilisation of the circumstances causing the external effect at Point B all contribute to the weakening of gravity – despite the continuous though moderate flow of new emigrants. This weakening continues to Point C with a new external effect again intensifying emigration, strengthening the expatriate community and creating a third peak or local maximum to the gravity curve.

In the following the model is linked to the empirically found figures reflecting the fairly thoroughly processed plans to emigrate, calculated from the four case city samples discussed earlier. The hierarchical system of migratory considerations and intentions was shown in detail in Figure 3.7a and b. It should be appropriate to assume that these intentions, marked by such detailed and hierarchically organised elements of a planning process with actual steps of emigrating at the top of the hierarchy, *can* be used as an indicator of gravity, a force attracting the members of the populations studied with some intensity.

The indicated willingness – particularly when the highest hierarchical level of an immediate intention to emigrate has been reached with practical preparations made for actual migration – may be the side of intensity visible to us. Moreover, it can be measured with a set of questions producing the critical steps for migrating (cf. Figure 3.7).

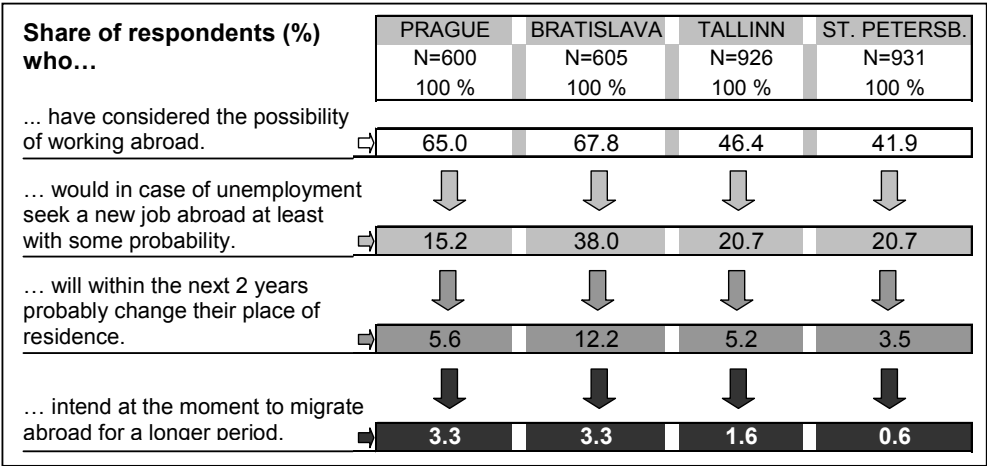


Figure 3.7. Motivational factors as critical steps for triggering migration indicated by respondents in the four case cities.

Naturally, the intensity is dependent on a series of interconnected factors, and the volume of the expatriate communities in the potential destination countries is only one of these. However, if we accept the basic idea of connectedness between the level of the studied individuals’ observable intentions to emigrate and the intensity the factors attracting (or discouraging) potential migrants we have constructed a tentative measure for the gravity.

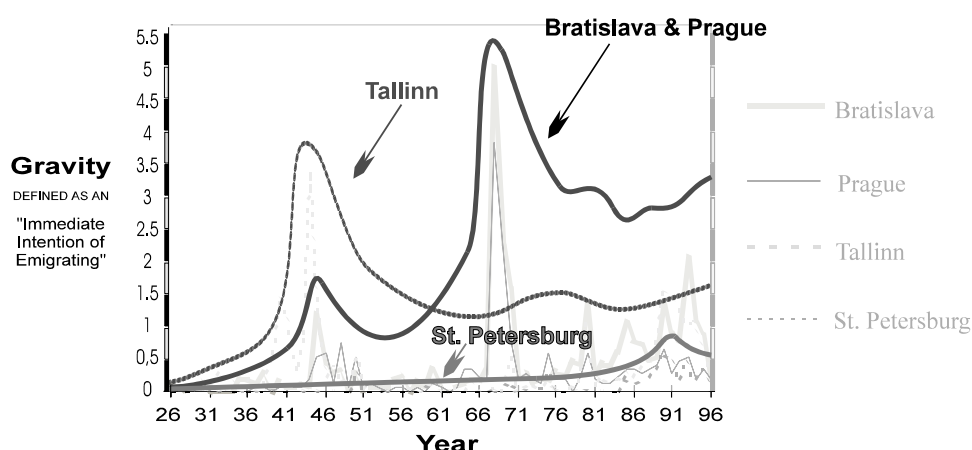


Figure 3.8. Theoretical model of previous emigration waves as major sources of gravity attracting new potential emigrants from the four case cities. Gravity is here linked to the reported immediate intention of migration.

The main aim of Figure 3.8 is to reiterate, linked with empirical data, that social networks abroad – as an aggregate feature of the ethnic stock – are an origin of socially and ethnically based gravity attracting the members of a specific community or the inhabitants of a given region. Of particular interest in this instance are the *varying time scales* given the different historical events and hence different points in time at which the networks have been established. Thus, Figure 3.8 seeks to illustrate a claim to be set forth here that such a gravity should be discussed as an important origin of *country and region based differences* in the observed willingness and propensity to emigrate. Here this claim is linked to the empirical findings of explicitly articulated intention of immediate emigration from the four case cities.

The basic dynamics illustrated in Figure 3.8 is the decreasing intensity of the gravity. As suggested above, the networks have been formed at different points in time, in connection with different historical features, events and experiences. Moreover, the graphs added here suggest that if the networks are not continuously strengthened by “fresh pulses” of new migrants, their relevance as a source of gravity gradually inflates. On the other hand, as noted in the preceding discussion, some time must be reserved for the fresh migrants to establish their positions in the receiving societies and thus gaining relevance as sources of gravity to those having remained in the sending country and possibly thinking about the possibility to follow the “trailblazers”’ footsteps to settle in a new country. These reservations particularly seem to apply to the network contacts of St. Petersburg respondents, as any



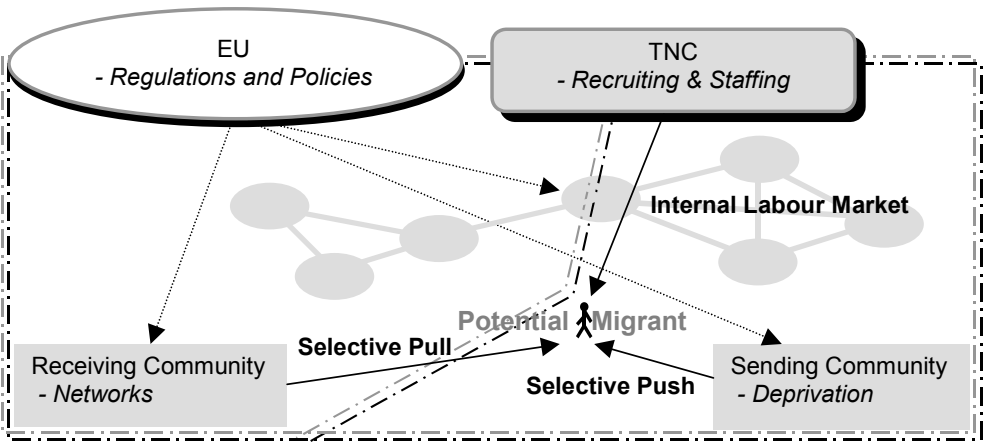
sort of modern mass emigration from St. Petersburg is an emphatically recent phenomenon.

### 3.5. Discussion and concluding remarks

With regard to the systems and mechanisms discussed here as regulatory channels of East–West mobility, the following list summarises some of the most essential findings. The mechanisms interpreted in the Introduction as regulatory channels represented a wide variety of institutional forms or levels of action. They included transnationally operating organisations, policies of the European Union and its Member States, deprivation, and social networks/migration regimes.

But what are their virtues and vices, what are their “trade-offs” with each other? *Are* there trade-offs between these seemingly highly heterogeneous mechanisms?

The answer appears to be affirmative. All of these components can and should be perceived as systemic parts of one process: intensifying interaction and interaction (abbreviated here as  $I^3$ ). The layout of the system is illustrated in Figure 3.9.



*Figure 3.9. A potential migrant and his/her environment interpreted as regulatory channels or systemic parts affecting the decision to emigrate, referred to in the text as  $I^3$ .*

The effects of the I<sup>3</sup> systems can be appraised from three viewpoints that also can be found in Figure 3.9: the sending community (i.e. the community of origin), the potential migrant, and the receiving community. This approach demonstrates how the different systems can be given crucially different interpretations depending on the perspective adopted.

For the sending area<sup>16</sup> old EU Member States with their policy frameworks *may* represent a potential for integrative capacity and all-European coherence through a variety of social programmes. Their stability is the reference point for all CEECs' visions of the future. Corporations, in turn, are channels and often also sources of technological and social innovations as well as capital for all economies. However, as channels for emigration of best educated labour force they are also potential channels for brain drain and hence even a threat. In some cases relative deprivation may provide the sending area with a mechanism for harmonising its social and ethnic structure, which may make it a "silently accepted" phenomenon and a means of alleviating social pressures otherwise possibly hard to manage. Social networks established in the receiving area may have multiple roles from the viewpoint of the sending areas. They may significantly lower the emigration threshold (especially in the case of family reunion programmes) of people with difficulties in finding other feasible solutions for going abroad and thus harmonise the aggregate flow of migrants. On the other hand the pull-effect of family-based social networks reduces the number of individuals and family units that used to receive remittances from the family members resident in the wealthier destination area.

For an individual migrant the EU, protecting the old Member States' labour markets with phasing-in periods is primarily a regulator that raises his or her emigration threshold by imposing qualifications that must be met in exchange for a work and residence permit. The transnationally operating corporation may have both a positive and a negative effect: positive if the individual is employed and thus included in its internal labour market, and negative if he or she is not employed and thus excluded from it. For a potential migrant relative deprivation, if confronted, is certainly a push factor that increases his or her willingness to go. For him or her social networks in the potential destination area constitute a pull factor – provided that the networks are well established, based on the previous migrants' success in the new environment – and can provide the new migrants with more accurate information about what to expect in the new environment and how to prepare to face it.

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<sup>16</sup> Particularly new Member States and adjoining non-members.

For the receiving area the EU with its regulatory policies vis-à-vis the potential immigrant flows is a positive factor. It sets the policy framework for controlling the “quality” of immigrants with regard to the competitiveness needs of the European labour market. EU-based corporations, in turn, operationalise these policy frameworks and turn them into manpower planning adjusted to the changing demand for labour force and its supply from the EU area.

*Table 3.10. Effects of the  $\bar{P}$  mechanisms from three viewpoints.*

	Sending area	Migrant	Receiving area
EU	+	-	+
TNCs	+ (-)	+ -	+
Deprivation	(+)	+	-
Networks	+ -	+	-

For the receiving areas relative deprivation in the sending area is a negative phenomenon. It creates social instability and may, if not taken into account by the governments of the sending area, cause migration pressure created by a flow of potential migrants not particularly welcomed by the receiving area and its labour markets. Finally, for the receiving area, too, the social networks established within it may be regarded as a negative phenomenon – particularly if they contribute to the creation of ethnic communities whose members may not find their places on the labour markets and may cause social tensions in the receiving area. Conversely, they may also serve as integrative mechanisms.

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As has been maintained here and in several other instances, many factors of production, sources of growth, have become increasingly mobile. They transcend national and transregional boundaries and are all the more often directed through global financial decisions. In fact, the core business<sup>17</sup> of *any* corporation with a global reach seems to verge on buying and selling shares of other corporations and financial instruments circulated in the market by them. Consequently, the most important monitoring information for these corporations to adjust their own operations is based on the assessment of

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<sup>17</sup> Understood as something to which other corporate activities and decisions related to them are at least to some extent subordinated. In the field of buying and selling of stocks and shares steps towards such subordination have been taken as financial markets and capital raised from them have become key sources of corporate finance.

their share values made and often even affected by the other corporations and their financial departments. This might be called a grand design behind the crisis of global capitalism – if one should strike.

Particular warning signs of such a crisis have been issued since the late 1990s by George Soros, the man who, if anyone, has utilised the regime of liberated financial flows to the utmost. To those whose recent wealth-creation has counted on stable and predictable operating of the financial markets, the risks inherent in the functioning of global capitalism are indeed obvious. An environment in which the volume of the financial markets exceeds by far the volume of trade in raw materials, industrial products and services is tremendously vulnerable, even if not historically unique. On the contrary; it shares some basic features with the one preceding the beginning of the great depression with the crash of the stock market in 1929 (cf. Rothermund 1996, 50). What is different, however, is that the environment seems to have become dangerously dependent on one particular and highly volatile piece of dynamic: continuous renewal or *regeneration*. In a financial economy this means above all the ability of the liberated markets to generate new markets for new generations of financial instruments whose mission is to secure the return on investments on the instruments of the previous generations' financial instruments. The basis for the real economy has become extremely narrow *vis-à-vis* the synthetic or *artefact* – if not “unreal” economy run by financial decisions.

Unlike many properties of capital such as its *circulation* or the above-described constant regeneration as a factor of production in the global financial economy, the labour force, its demand and utilisation are still closely connected to the process of running real life economic institutions that have preserved their spatial ties. Moreover, the mobility of labour as a production factor has traditionally been restricted by the borders of nation states. Recently the mobility has also been closed within the boundaries of larger territorial units in as mutually exclusive clubs. In Europe the old EU Members operate as such a club, especially in relation to the human resources, immigrant labour force willing to cross the EU's external borders. During the liberalisation boom of the 1990s labour remained the last traditional production factor subjected to particular public interest and the regulatory policies derived from it<sup>18</sup>.

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<sup>18</sup> It is worth considering whether *environment* should be added to the list of traditional production factors to accompany physical (machinery, real estate), human and monetary forms of capital. It would thus be another factor explicitly subjected to public interest. Evidence abounds to support the new production factor approach to environment. Market-based “flexible mechanisms”, known as “Kyoto mechanisms” do exist, making it

It is highly questionable if the mobility of labour force crossing national, or, in the EU, Europe as one labour market area, the *external* borders of the old Member States will be liberated, thus emulating the recent examples within financial or even trade flows. Instead, after having reached the liberalisation regime the pendulum has swung towards regulation. This has taken place as “soft regulation”, such as the reconsidered economic and monetary policy recommendations given by international institutions such as the OECD, IMF or the World Bank. “Harder” regulatory policies may be adopted and methods implemented by the individual Member States of these institutions in order to protect themselves in the newly designed global economy. “Strong” regulatory measures can be attached to security regimes in a world embroiled in the post 9/11 2001 war against terrorism.

Another major aspect calling for regulatory policies can be identified. In the midst of the US-led war against terrorism there may be a growing willingness to protect and strengthen a specific European model of international governance. Its particular and all the clearer mission might be to give both identity and legitimacy to the European integration process as well as securing its stable advancement.

Micro level needs addressing various regulatory policies might be seen in the attempts to secure the competitiveness of European industries in the global division of labour through the quality of labour force and production processes (Karppi 1998, 122). Crucial factors in this quality/competitiveness game are externalities such as high quality education provided traditionally to large numbers by the public sector, or societal and institutional stability. In this respect the benefits created through Scandinavian model have been seen to constitute a particularly promising – even if ultimate, expensive and often hard to emulate – pathway towards the future (cf. Clegg 1992).

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As to the stable all-European development the empirical findings discussed in this chapter also speak for a certain case for a common human resource strategy combining the needs of restructuring the transition economies as well as the Western resource-bases needed for global competition. This “demand” with its possible, even if speculative conclusions is elaborated in the following.

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possible in the future for corporate entities to internalise some of the impacts their activities have on environmental changes (cf. National ... 2001, 26-27).

i. Europe is becoming more integrated. Both the old EU Member States and the CEECs need more and more qualified human resources to prosper in the global competition. Europe is the heartland of the industrial revolution and the “modern project” it largely unleashed. Hence, as was done for instance in the March 2000 “Lisbon strategy”, it is only natural for European institutions to create strategies in which Europe is seen as an arena *leading* the global restructuring in *many* of the key sectors of industrial development and *not lagging* substantially behind in *any* of them. For this Europe needs both technological and social innovations. More than that, it needs to bring together the strengths of the entire continent with fewer and fewer imaginary boundaries that might block the potentials for future development. Such a vision or a meta level institutional scenario could be called a *Best of Two Worlds* (B2W) approach for the management of diversity as a potential for European decision-making capacity.

ii. Highly skilled human resources are needed throughout Europe. Thus, transition economies should be assisted to reach the economic dynamism that would provide the labour market segment, described in Table 3.1 as the “new management”, with adequate incentives to return after their eventual participation in the internal labour markets of TNCs. This may happen if the CEECs “trajectory of globalisation” starts to diverge from the way many old EU Member States seem to prefer, often made nostalgically myopic by their past grandeur. It seems more and more obvious that the effects of global capitalism are *not* translated into an all-European format in the West, and only after that exported to the East, packed as policies and practices deemed as correct by the political elites of the old Member States. Instead, many rules of global capitalism may enter Europe *through the new Member States* still in their transitional stage. In such a case *they* would be the particular development laboratories for institutional innovations – innovations that would be written into an all-European format in the East and only after that introduced in the West. This would add an important incentive for the European enterprises to make their entries in the transition economies and to take over their most viable business units.

iii. A threat exists that the *de facto* unification of the two parts of Europe will fail (cf. Karppi 2005, 113-114). Political processes and business-based integration may not result in what was attempted with them, and stable development may be replaced with the return of a two-tier Europe. If this should happen, at least some of the CEECs may for a long period remain an economic periphery partly within the EU, partly outside its boundaries,

colonialised by the JVs and drained of their key human resources of modernisation by the TNCs (cf. Karppi 1999b, 106-111). In such a *Worst of Two Worlds* (W2W) meta level scenario the contemporary transition economies, with Turkey, would serve as the outpost of Western Europe within or associated with the EU. This buffer zone would neutralise the worst effects of unwelcome shocks inflicted by the global business cycles before they reach the West, as well as some of the demographic pressures and security threats. Ironically, such a set-up would provide the West with some extra time to refrain from the many fundamental institutional changes that the rules of the global economy requires – which may make it even desirable for some political parties and pressure groups. Moreover, this set-up would be marked by institutional continuity as a West European mode of development and discontinuity as an East/Central European one. This would gravely compromise any attempt to impose a new institutional order for a unified Europe.

iv. At worst, Eastern and Central Europe may re-emerge as a source of European instability. In the historical socio-economic and political context of the CEECs (e.g. Volgyes 1986) this refers primarily to the fragile, and both politically and economically (or, in one word, *institutionally*) unstable Eastern and Central Europe of the 1920s and 1930s. The most dramatic consequence of the historical instability-driven territorial vulnerability was the break-up of the Second World War. Nobody wants to take the responsibility for such a vision coming true in the Europe of our own days. Yet the “return of history” seems partly inevitable, as for instance the important Central European cities such as Budapest, or Prague as one of the cases of this research, are once again attached to the multi-channelled network of interaction and exchange with Western cities and metropolises. Many of the prominent East and Central European centres can even thrive partly due to their location along the routes that link the demand found in the Old Europe to the sources of trafficking, whether in narcotics or in prostitutes.

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Europe can gain remarkably through support that will be given to stabilising trends that stem from the histories of different societies in transition. As an example, Slovak politics oscillated throughout the 1990s, torn between traditional or extreme nationalism and modern liberal democracy, often despite formal party affiliations. For the Slovak nationalists, designing the national agenda was to primarily aim at correcting all historical injustices while the

proponents of liberal democracy – who could be even called the successors of the old Czechoslovakian idea – shared the aim of integrating the nation in the Western structures as sources of stability. May 2004 and prior developments that showed the young democracy's maturity and brought Slovakia to the Transatlantic community was a clear victory for the latter.

Due to the success described here, much is at stake as we think about the results of the empirical analysis discussed in this chapter. The new Member States and the expanding Europe stand on the brink of a more prosperous and stable future, but are afflicted by the dynamics of globalisation that may seriously damage the resource bases needed for securing a coherent development of European political and socio-economic space. The TNC channels discussed in the context of European East-West interaction may lead both jobs and highly skilled labour force increasingly away from a united Europe. Moreover, Europe may lack the necessary competitiveness drivers to attract them back – together with overseas investments.

In the face of these concerns it is important to understand that the new Member States represent to Europe a particular value added, a dynamism that stems from an institutional basis different from that which moulded the EU as a present-day Western transnational institution. In a world marked by globally designed regulatory channels for mobility and governance of production factors, such an institutional diversity ought to be regarded as an asset, not as something that should be “harmonised” or narrow-mindedly “Europeanised” at any cost.

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## BETWEEN FORMAL AND INFORMAL IN THE EUROPEAN TRANSITION ECONOMIES

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### 4.1. Introduction

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The collapse of the planned economies in Eastern Europe had major effects on the everyday lives of individuals. In practice this has meant nothing less but an imperative to learn how to live in a society where the state apparatus does not make decisions concerning economic life on behalf of its citizens. However, the planned economy – the so-called first economy – was not the only source of income for many population groups in planned economies. The first purpose of this article is to analyse the importance of the second economy – the market-based and in many cases illegal economy – for individuals and families during the socialist era and during the economic transition period in the 1990s. Many individuals in the transition economies still take advantage of many income sources in order to make ends meet. In the market economy the first-second economy division has converted into the formal-informal division. The everyday lives of many individuals are characterised by living between different economic environments.

Connections between economy and migration flows have been studied by numerous scholars. However, the connection between informal economy and

migration willingness is a relatively little studied phenomenon. The second purpose of this article is to analyse how different courses of action in different economic environments affect the migration willingness of the labour force in four urban regions (Prague, Bratislava, St. Petersburg and Tallinn).

A market in the most general sense can be seen as a mechanism that reconciles supply and demand. It is assumed that there are specific and opposing interests which constitute the forces of demand and supply. Hence the market as an arena of exchange reconciles the interests of the bargaining parties. However, according to Rose (1991, 22-23) the production and exchange of goods and services is a social activity, whereas the system of relationships analysed in economic theory is an asocial abstraction. Economic activity can only be realised within a framework of social institutions. When social institutions differ, the observable economic practices are likely to differ, too.

Because there is a “formal” economy (i.e. an institutional framework of economic activity) we can speak of an “informal” one. In an ideal market economy, with no regulation of any kind, the distinction between formal and informal would be meaningless; in an absolutely free market economy all activities would be performed in the manner we call informal. At the opposite pole, the more a society institutionalises its economic activities and the more individual actors try to escape this institutionalised framework, the sharper will be the divide between formal and informal sectors. (Castells & Portes 1989, 12-13.) Changes in the institutional boundaries of regulation of economic activities produce a realignment of the formal-informal relationship.

Due to the collapse of the European planned socialist economies in the late 1980s and early 1990s, market economy institutions have emerged in the post-socialist or transition countries. This often repeated phrase tells very little about the nature of market economy practices in the sphere of “real life”. It can be maintained that the collapse of centrally planned economies caused an institutional economic (and even political) vacuum that was to a large extent filled by eastward expanding Western market economy institutions – at least at the early stage of transition. (Rantala 2000, 148-149.) However, emerging new institutions, both formal and informal, operate in an environment that can be characterised as a mixture of “old” socialist era heritage and “new” eastward expanding market economy.

The collapse of the European planned economies and the transition to a market economy has not guaranteed material welfare to everyone. On the contrary, since the demise of the communist regimes, the countries of Eastern Europe have experienced dramatic changes in social, economic and political life. Much academic debate has centered on who are the winners and who are the losers in the transformation to a market economy. (Duke & Grime 1997, 883; Lauristin & Vihalemm 1997, 109.) Given the centrality of

privatisation to economic change in the transformation, a related question concerns the extent to which the privatisation process has increased social inequalities and the importance of different kind of informal incomes for people living in the European post-Socialist countries.

The distinction between formal and informal sectors in the European post-Socialist economies is far from self-evident. Human migration flows and economic activity are related to each other. Illegal migration is also a relatively well-studied phenomenon. However, at least in the European context, academic studies on relationships between different forms of informal economy and migration flows, migration propensity or migration willingness are very rare.

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## **4.2. On economy and individual**

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Polanyi (1992, 29) argues that the term economic is a compound of two meanings that have independent roots, which can be called the substantive and the formal meaning. The substantive meaning of economic derives from an individual's dependence on nature and social networks. It refers to the interchange with natural and social environment insofar as this interchange supplies one of the means of material want satisfaction. The formal meaning of economy derives from the logical character of the means-end relationship. It refers to a definite situation of choice between the different uses of means and the logic of rational action.

According to Polanyi these two basic meanings of the term economic, the substantive and the formal, have nothing in common. The former derives from fact, the latter from logic. The formal meaning implies a set of rules referring to choice between the alternative uses of insufficient means. The substantive meaning implies neither choice nor insufficiency of means. An individual's livelihood may or may not involve the necessity of choice. In some circumstances some of the most important physical conditions of livelihood, such as the availability of air and water, are not limiting. The laws of the formal are those of the mind. The laws of the substantive are the laws of nature. (*Ibid*, 29-30.)

In the context of the European post-Socialist countries the substantive meaning of economic is worth a closer look. Given the fact of the collapse of the entire state-level system of planned economy, it can be assumed that individual survival strategies have had an emphasis on everyday life in the transition economy context. The significance of social networks (social environment) and their economic importance for individuals and households in

post-Socialist countries have been studied to some extent. Furthermore, according to Rose (1991, 23) during the socialist regime the centrally planned economy was only one of a number of economies operating simultaneously. Individuals or households had to look to a multiplicity of sources to meet their needs. Different kinds of economic activity took place outside as well as inside the planned economy.

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### **4.3. The informal sector under socialism**

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Like any countries in the world, the Soviet Union and the other European planned economies contained an informal sector. This private sector based on market economy was called *second economy*. Although this fact has been fairly common knowledge and although the press and literature in the former socialist countries were replete with anecdotal information about it, no systematic estimates can be found in the socialist regime statistical sources.

However, we know that there were major differences between the European planned economies. For example in Hungary private enterprises were allowed to exist to some extent. According to Gábor and Galasi (1985, 123) Hungarian second economy means “all income producing economic activities which were carried out by households or individuals not as employees in the organisations of the socialist sector”. In their classification the concept of second economy does not include: 1) the “social economy”, that is, the networks of mutual help organised around neighbourhood and kinship, 2) a part of the so-called subsistence economy (households’ production for own consumption), 3) those illegal activities of employees in a socialist enterprise which aim at improving the economic position of their enterprise. Instead of classifying them into a “second” economy, these latter actions should, according to Gábor and Galasi, rather be considered as belonging to the “shadow economy” of the socialist or planned sector of the economy.

Gábor’s and Galasi’s division between the first and the second economy indicates the wide variety of concepts and definitions related to the phenomenon. According to Dallago (1990, xv) the study of that complex of phenomena goes under a variety of names, for example “subterranean”, “submerged”, “parallel”, “hidden”, “occult”, “informal”, “unofficial”, “underground”, “black”, “unobserved”, “unmeasured”, “unrecorded”, “shadow”, “illegal”, “criminal”, “second” etc. (See also Table 4.1.)

In Hungarian socialism the first economy was directed by the state, its units did not work with their own means of production but with those of the state. Consequently, their position was characterised by budgetary depend-



ence on the state and by compulsory operation. Their production profiles were subject to state authorisation. They had no choice but to produce within their production profiles under conditions of getting resources, and with criteria of profitable operation, also determined by the state. Instead of promoting a profit-maximising and cost-minimising behaviour, this asymmetrical interdependence of the state and the first economy caused a search for additional resources irrespective of their actual profitability. (Gábor & Galasi 1985, 124.)

As opposed to the first economy, the Hungarian second economy was not directed but regulated by the state. Economic units used their own means of production and could start or stop their activities at any time they wanted. They operated under hard budget constraints, and could survive in the long run if they were not making a loss on the market. In this sense the Hungarian socialist economy was dual. It consisted of two economies with differing rules of operation. At the same time, however, the two economies were in symbiosis, as they were connected with each other through markets. Their symbiotic relationship, together with their dissimilar relationships with the state, determined the position and peculiarities of the second economy within the system. The state regarded the first economy as its “own child” while it expected the second economy to be subordinated to the first economy and to play an auxiliary-complementary role. (Ibid, 124-125.)

The Hungarian second economy system was an exception to the rule among the block of the Socialist countries. However, according to Grossman (1989, 150-151) the concept of an informal sector was very apt for the Soviet Union type of planned economy with its rigidly defined and sharply delimited formal socio-economic structure. The planned economy was characterised by socialist ownership, central control, imperative planning, “command” management by a bureaucratic hierarchy, almost universal price fixing, widespread shortages, rationing of nearly all produced goods, and the virtual absence of a market mechanism. Because of the malfunctions in the planned economy, in the Soviet Union as well as in the other planned economies, personal informal incomes and outlays were extremely widespread. They were to a large extent illegal and they assumed diverse forms and stemmed from a great variety of informal economy activities or economic crimes.

Informal incomes and outlays in the planned economies were attributable to many social causes. According to Grossman (1989, 152-153) a selective list of causes can be as follows: 1) the ubiquitous presence of socialist property, which is broadly regarded as “up for grabs” and thus easily and widely exploited for private gain, 2) prohibition of all but a very narrow range of productive activity on private account, 3) very heavy taxation of legal pri-

vate income, 4) virtually universal price controls, 5) the ineffectiveness and slowness of the formal production and distribution mechanism, 6) the support, protection, and often promotion of illegal activities by corrupt authorities at various levels, and 7) the important role of personal connections, a lattice of horizontal informal social networks and vertical patron-client links which activates and reinforces the above-mentioned factors.

The variety of informal economic activities in the Soviet Union was so great that Katsenelinboigen (1977) described a virtual spectrum of soviet “coloured markets” (Table 4.1).

*Table 4.1. “Coloured markets in the Soviet Union” (Katsenelinboigen 1977)*

Legal markets	"red"	state-owned and operated enterprises
	"pink"	state shops through which people buy and sell used goods
	"white"	flea markets for used durable goods; small concessions for the sale of fruits and vegetables
Semi-legal markets	"gray"	unofficial and informal sales of goods and services such as private tutoring; also informal exchanges of materials among state factory managers
Illegal markets	"brown"	irregular transactions through state shops; trade in goods brought back by people travelling abroad
	"black"	speculation in legal commodities, semi-legal commodities (foreign goods) and illegal commodities (gold, foreign currency); criminal activities

Although Katsenelinboigen’s scheme does not state where the informal or the second economy begins, he presents a useful description of the “rainbow economy” in the Soviet Union. For example, factory managers who were responsible for meeting plan quotas have had to engage in paralegal activities,

ranging from barter with other firms through autarkic production within a factory to payment of bribes. According to Rose (1991, 23) the regime tolerated such illegal behaviour because it was functional in terms of fulfilling the plan or reducing political tensions. For ideological reasons, however, it could not take official cognisance of such phenomena. The variety of economies extended far beyond the narrow limits of a second job. It constituted Katsenelinboigen's coloured economy.

There is no generally accepted interpretation of the term second economy. However, at a very macro level, according to Sik (1994, 46-47), the macro-structure of the transition from socialist second economy to the informal economy is simple. There were two sectors in the centrally planned economies: the first and the second economy. The former was the planned state sector whereas the latter was based on private production and distribution of goods. The counterparts for the Socialist first and second sectors are the formal and informal economy in the market economies.

In the other expressions the term second economy usually refers to all activities which fell outside the direct control of a socialist state. By virtue of its simplicity and relevance (using the socialist state as a point of reference), this dichotomised definition is suitable for analysing the system-specific features of the second economy at the macro level. Sik defines informal economy as follows: "The informal sector is defined as all productive and distributive income earning activities which take place outside the scope of public regulation on the macro-societal level." (*Ibid*, 47.)

Sik argues that in the pre-transformation era there was a large and growing second economy in Hungary, which began to increase at a great pace at the dawn of the transformation. At the beginning of the transformation the main trends of the Hungarian transformation process and the structural changes (in no particular order of importance) are as follows: 1) private ownership became the dominant property right, 2) growing uncertainty regarding the rules of operation and privileges of the state-run economy, 3) privatisation, 4) reprivatisation (relevant mainly because of land reprivatisation), and 5) acceptance of unemployment. Sik considers recession, inflation, fall in real income, tightening of the tax regulations and external changes such as the collapse of COMECON as the most important components of the transformation process which can be considered as remnants of the collapsed regime. (*Ibid*, 51-52.)

In planned economies firms and public agencies have a *soft* budget constraint. They relied upon bureaucratic decisions, not market criteria. (Kornai, 1980.) However, individuals and households remain subject to a *hard* budget constraint, for in their everyday lives families face the full force of the shortages generated by the central planned economy. Official employment does

not offer sufficient income to meet family needs and wants (Matthews 1986). Goods and services were often not available at any price in the shortage-ridden first sector of the economy. Bribes had to be paid to obtain such state services as medical care.

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#### **4.4. Portfolio of economies**

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If the European planned economies are gone, then the system-specific distinction between the first and the second economies is also gone. If there is no better option, we must shift to the general term, i.e. use the formal and informal dichotomy. However, an interesting question is, how the macro or state-level institutional changes in transition countries have changed the living conditions of individuals.

Everyone who lived in an East European society had to learn how to manage a portfolio of economies, some legal, others alegal and illegal. Individuals may value positive aspects of working outside the official economy (for example home-grown food), but they also have to accept undesirable features like payment of bribes. (Rose 1991, 23-24.) Participation in a multiplicity of economies is not unfamiliar in Western market societies, but it does not have the same meaning or scale. It can be maintained that in Western societies activities in the informal economy and do-it-yourself household production are not systematically undertaken because of economic necessity.

This chapter is based on the findings of Rose (1991). He defines total economic activity in the households living in centrally planned economies as the sum of six different economies: 1) work and consumption in the official centrally planned first economy, 2) work and consumption in the second economy, 3) household production and consumption of food, 4) social exchange among friends and relatives, 5) patronage and clientelism with bribes, and 6) dealing in foreign currency. The starting point is the first economy. It is both legal and monetised. People are paid a monetary wage, and their employment and earnings are officially monitored. This is the activity that accounts for official statistics on the economy. However, since activities in the official sector are bureaucratically determined, it is outside the market. (Rose 1991, 24-25.)

In the second economy people work for cash and are paid without any official record being kept (which has not been the case in Hungary). In socialism second economy jobs have normally been part-time occupations. Second economy jobs appear similar to what is considered in Western societies participation in the secondary labour market (for example, see Berger & Piore

1980), a stable part time job, or moonlighting. However, in a centrally planned system such activities are private, that is, outside the state's plan and control. But it works in the market, involving a willing exchange of money for goods and services. It is thus a productive economic exchange. (Rose 1991, 26.)

One of the root meanings of the word economy mentioned above referred to a social economy: the management of household resources. In socialist societies the root idea remains relevant. The household economy involves co-operation between members of a group bound together by ties of blood or affection. There is so much production and differentiation of labour within the household that it is difficult for a one-person household to do all the things that can be done by a couple, or a larger family. (*Ibid*, 24-25.)

According to Rose the line between the household and social exchange among friends and relatives is an analytic distinction based on degrees of interaction and group solidarity. The deprivations and distortions of a centrally planned economy have strengthened social exchange outside the immediate household as the best means of securing many goods and services. The obligation to help other people, and the right to make claims on others, has created an extensive network of exchanges far beyond the nuclear family. Social economies are not monetised. Blood relationship and friendship are the basis of claims and exchanges. Insofar as there is an element of calculation, it is that one can expect to receive in return help from those whom one is helping, or from others in the same social network. The social economies are alegal, for they are not officially registered. However, since no money changes hands and helping others is not forbidden by law, the social economies cannot be classified as illegal. (*Ibid*, 25-26.)

Bribery is both anti-social and illegal. Those who have power can allocate desirable goods and services to themselves. They can use their authority to decide what other people obtain, and demand payment in return. They are thus exploiting the system which gives them authority, and exploiting their fellow citizens in ways that are anti-social, demanding a side-payment as a condition of doing what they ought to do without it. (*Ibid*, 26.)

Dealing in foreign currencies is anti-social in a more subtle way: it denies that one's national currency has value, rather than being part of the normal mechanisms of international trade. For example, when the purchase of a desirable good or service or a payment of a bribe must be made in a foreign currency, that is a profound vote of no confidence in the national economy. (*Ibid*, 27.)

Duke and Grime (1997, 883) argue that it is uniformly agreed that the former socialist republics of Eastern Europe were more egalitarian in terms of official wages and salaries than the countries of Western Europe. How-

ever, they do not deny the existence of informal means of supplementing income outside the planned economy or via the communist party hierarchy.

There is evidence of the systematic linkage between formal and informal sectors in the market economies. Individual workers may switch between the two sectors even during the same workday, with a unionised mechanist moonlighting as a plumber while a secretary does keypunching at home in her off-duty time. The informal economy is thus not an individual condition but a process of income-generation characterised by one central feature: it is unregulated by the institutions of society, in a legal and social environment in which similar activities are regulated. (Castells & Portes 1989, 12.)

Because the standard of living collapsed in European transition economies during the transition process, it can be assumed that different kinds of informal economic activities have a significant role for the individuals and households. In other words, it can be assumed that the heritage of different forms of informal economic activity persist in the post-Socialist countries.

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#### **4.5. Informal economies in St. Petersburg, Tallinn, Prague and Bratislava city regions**

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The empirical results presented in this chapter are based to an establishment based survey explained in detail in Chapter 2. The questionnaire contained questions which are related to the different forms of formal and informal economy: wages and salaries, benefits provided by the employer and income sources and social networks related to the respondent's household. Thus the logic of the analysis of the formal-informal relationship is as follows:

- 1) Wages and salaries paid by employers (formal economy)
- 2) Benefits provided by the employer (benefits are given in the arena of the formal economy, but in many cases they are in the sphere of the informal economy because using benefits is a way to evade income tax)
- 3) Informal household economy.

Due to the collapse of the planned economy there have been major changes in the income distribution among the population in the four urban regions studied. The most frequently used measure of inequality in income distribution studies is the Gini coefficient. Table 4.2 describes the average incomes before and after income tax and Gini coefficients in the cities studied. Different currencies were converted to Finnish Marks (FIM) by the following rates: Slovakian Koruna 0,15; Czech Koruna 0,17; Estonian Kroon 0,38 and

Russian Rouble 0,001. Finnish Marks were changed to Euros at a rate of 1 EUR = 5,94573 FIM. (The formula used in the calculation of the Gini coefficient: see Culuer 1980, 143.)

*Table 4.2. Gross wages, net wages and Gini coefficients in Bratislava, Prague, Tallinn and St. Petersburg*

	Bratislava	Prague	Tallinn	St. Petersburg
Gross wage EUR	231	396	253	155
<i>Gini coefficient</i>	<i>0,25</i>	<i>0,26</i>	<i>0,3</i>	<i>0,4</i>
Net wage EUR	182	264	200	153
<i>Gini coefficient</i>	<i>0,23</i>	<i>0,21</i>	<i>0,31</i>	<i>0,41</i>

Although the gross and net incomes in Bratislava, Prague, Tallinn and St. Petersburg were on average higher than in Slovakia, the Czech Republic, Estonia or Russia, they were significantly lower than the income level in their neighbouring Western European countries. The Gini coefficient calculated from the net incomes indicates that the income distribution was the most equal in Bratislava and Prague and the most unequal in St. Petersburg. In Tallinn income taxation has no effect on income distribution. This can be explained by the progressive income taxation in Slovakia and the Czech Republic. In Estonia the income tax rate was 26 percent regardless of the amount of the income. In Russia the income taxation system can be characterised by the term chaotic. (Conditions... 1995; Kopál 1993, 25; Eesti... 1996, 60; Mishalchenko & Pautola 1995, 68.)

The incomes and Gini coefficients presented in Table 4.2 tell us only about the official monetary incomes of the respondents from one employer. In transition countries it was common to have two or even more jobs. The results of the income level and income distribution indicate that many individuals were likely to have supplementary income sources. Furthermore, the labour market institutions related to income distribution seem to be more developed or resemble the advanced Western market economies in Bratislava and Prague. The case of St. Petersburg is the most problematic. Besides the weaknesses in the taxation institutions many employers payed wages and salaries completely off the books. This especially concerns manual workers in enterprises. White-collar workers had official positions in the firms, whereas manual workers in some cases did not even officially exist. (Karppi & Rantala 1998.)

Besides the second jobs and the economic importance of social networks many employers offered their employees different kinds of benefits, which has been very important for the employee's material welfare. Table 4.3 describes the frequency of different benefits provided by the respondent's employer.

The use of the employer's production facilities and equipment for private needs and opportunities to buy various products or services through company distribution channels were part of the mode of action of the socialist enterprise (Lavikka et al, 1994). About one third of the all respondents still had corresponding benefits in the cities studied. The existence of distribution channels can be seen very clearly in St. Petersburg. In the towns of the former Soviet Union (St. Petersburg and Tallinn) the companies more frequently offered their employees benefits besides the salary or wage than in Bratislava or Prague. One possible interpretation for these results can be that in the cities of the former Soviet Union economic activity outside the monetary sector was a sign of underdeveloped official economic institutions and prolonged transition processes.

The results presented in Table 4.3 also indicate that many of the institutional practises that took place in the planned economy persisted in the transition economies. This is the case especially in Tallinn. Tallinn differed from Bratislava, Prague, and St. Petersburg by the relatively large number of small private enterprises. The enterprises in the new private sector also used a lot of non-monetary benefits and incentives that were comprehensive to the wage or salary. Although it can be assumed that this situation was to a great extent due to income tax evasion, the results indicate that perceptible courses of actions in the labour markets inherited from the Soviet regime persisted regardless of the totally changed economic and political environment. On the other hand, different kinds of benefits provided by employers also exist in advanced market economies.

As mentioned above, according to Rose's portfolio model income from one job is only one part of the total economic activity of an individual or a household. For example, social networks are of great importance in these respects. The respondents were asked to answer ten questions related to different forms of informal or household economies. Table 4.4 presents the frequencies of different kinds of informal economies. The figures in Table 4.4 show how many of the respondents indicated that these courses of actions had at least some economic significance for their families.



*Table 4.3. Frequencies of benefits provided by the employers (%) in Bratislava, Prague, Tallinn and St. Petersburg*

	Bratislava	Prague	Tallinn	St. Petersburg	Total
Benefit provided by the employer	%	%	%	%	%
Canteen with subsidised prices	96	81	49	58	69
Training / professional development	62	50	50	47	52
Medical care	36	35	45	62	46
Subsidised commuting or transportation	35	21	34	53	37
Permission to use employer's production facilities and equipment	25	31	39	38	34
Opportunity to buy products of the employer enterprise at low price	31	25	32	37	32
Opportunity to buy other products at low price	19	20	35	42	30
Company-owned car in private use	19	17	29	38	27
Company-owned residence	10	10	24	38	22
Children's day care	9	13	19	38	21

*Table 4.4. Frequencies of informal household economies (%) in Bratislava, Prague, Tallinn, and St. Petersburg*

	Bratislava	Prague	Tallinn	St. Petersburg	Total
Informal economy	%	%	%	%	%
Second jobs	42	33	43	58	45
Gardening for own consumption	57	42	45	38	45
Grandparents' help	42	39	35	51	42
Savings or incomes in foreign currency	46	26	20	44	34
Borrowing money from relatives and friends	30	20	24	48	31
Production of own clothing	36	28	31	27	30
Selling or exchanging services	23	13	12	22	18
Gardening for sale or exchange	19	9	9	12	12
Producing handicrafts for sale	15	6	8	16	11
Selling or exchanging own products	14	5	6	13	10

The most frequent economic portfolios were second jobs, gardening for family use and grandparents' help. However, there are notable differences between the respondents in the four cities. In St. Petersburg two (or possibly even more) jobs and borrowing money from relatives and friends were relatively common ways to improve a respondent's material welfare. As in St. Petersburg, in Prague, too, savings or incomes in foreign currencies were of importance. In Bratislava, Prague and Tallinn gardening for own consumption was the most common form of household or informal economy. Although it is difficult to estimate the economic importance of gardening to the respondent's economic situation, it is worth mentioning that the survey was carried out in the urban regions. Thus most of the respondents lived in an urban environment. Given these circumstances the high frequencies of gardening can be interpreted as an important factor in the household's economic portfolio.

However, it can be assumed that there are significant differences between the city regions studied concerning the *relationships* between different forms of informal economies. These relationships were studied in detail by Rantala (2002, 61-77). According to Rantala (*ibid*, 76) the dimensions and the variables representing each dimension are as presented in Table 4.5. The dimensions are based on factor analyses.

The dimensions differ by city. The basic reason to the differences in the dimensions is that the cities studied are in different geographical, population, historical and economic situations. These dimensions are used as independent variables when analysing the relationships between different forms of the informal economy and migration willingness.

*Table 4.5. Dimensions of the informal economy in Bratislava, Prague, Tallinn, and St. Petersburg*

<b>Dimension</b>	<b>Variable</b>
<i>Bratislava</i>	<i>Bratislava</i>
1) Barter	1) Selling or exchanging own products
2) Employee as a deliver	2) Opportunity to buy products of employer enterprise at low price
3) Significant benefit	3) Company car in private use
4) Minor benefit	4) Canteen with subsidised prices
<i>Prague</i>	<i>Prague</i>
1) Barter	1) Producing handicrafts for sale
2) Significant benefit	2) Company car in private use
3) Indirect benefit	3) Training / professional development
4) Strong ties in social network	4) Grandparents' help
<i>Tallinn</i>	<i>Tallinn</i>
1) Significant benefit	1) Company-owned residence
2) Barter	2) Selling or exchanging own products
3) Second jobs	3) Second jobs
4) Economic self-sufficiency	4) Gardening for own consumption
<i>St. Petersburg</i>	<i>St. Petersburg</i>
1) Significant benefit	1) Company car in private use
2) Barter	2) Producing handicrafts for sale
3) Strong ties in social network	3) Borrowing money from relatives and friends
4) Economic self-sufficiency	4) Gardening for own consumption

## 4.6. Informal economy and migration willingness

In order to analyse the migration willingness of the population three independent questions were used to formulate an indicator for this phenomenon. The classes of the migration willingness indicators are as follows:

- 0 Respondents having NOT considered working abroad
- 1 Respondents having considered the possibility of working abroad
- 2 Respondents who in case of unemployment would seek a new job abroad
- 3 Respondents changing their place of residence within the next two years and respondents who at the moment intend to move abroad for a longer period.

(See also Karppi (Chapter 3) in this publication. Karppi uses the same questions in his analysis but the classification of these emigration willingness related questions is different.)

*Table 4.6. Frequencies of the emigration willingness indicator by city regions*

Emigration willingness indicator	Bratislava N	Prague N	Tallinn N	St. Peters- burg N	Total N
3	50	35	33	18	136
2	178	57	159	175	569
1	183	257	225	189	854
0	172	209	478	459	1318
Total	583	558	895	841	2877
Missing values	17	47	31	90	185
	%	%	%	%	%
3	9	6	4	2	5
2	31	10	18	21	20
1	31	46	25	22	30
0	30	37	53	55	46
Total	100	100	100	100	100

As explained in detail in Chapter 2 in this publication, Table 4.6 should not be interpreted such that 9 percent of the population in Bratislava are the most migration oriented, 6 percent in Prague and so on. The purpose of the emi-

gration willingness indicator is to compare the parts of the populations in the different classes of the indicator.

In Table 4.7 two emigration willingness groups, the migration-minded (indicator value 3) and the not migration-minded (indicator value 0) are compared in the framework of informal economy presented in Table 4.6.

It can be seen in Table 4.7 that the different forms of informal economy were more used by the migration-minded than by the not migration-minded respondents. In Bratislava three out of the four forms of informal economy studied were related to the employer organisation. A canteen with subsidised prizes was as important for the both groups as well as selling and exchanging of own products. In both groups studied less than 20 percent sold or exchanged their own products; over 90 percent had a possibility to take advantage of a canteen with subsidised prices provided by the employer.

In Prague two out of the four forms of informal economy were related to the employer organisation. The most migration oriented group had better opportunities to take advantage of a company car or training offered by the employer. Producing handicrafts for sale was almost insignificant in both groups. Grandparents' help was much more common and this kind of use of social networks was used especially by the most migration-oriented.

As in Bratislava and in Prague, in Tallinn selling and exchanging own products was almost insignificant as a source of income. In Tallinn one job was not enough to guarantee a reasonable material standard of living. This problem was solved by taking advantage of second jobs. From the point of view of the social networks getting a second job also implies – at least in principle – an increasing number of social contacts of the respondent. The migration-minded had a privilege for a residence provided by the employer more often than the least migration oriented.

What Tallinn and St. Petersburg had in common is the significance of the economic activity outside the employer organisation. What is more, from the point of view of migration willingness the economic activity was characterised by one significant feature: economic activity outside the employer organisation was more common among the not migration-minded. In addition to this, in St. Petersburg all kinds of informal economic activities were more common than in the other three urban regions. 76 percent of the most migration-oriented indicated that they borrowed money from relatives and friends. Gardening for own consumption was as common as in Tallinn. However, it is worth mentioning that St. Petersburg is a megacity when compared to Tallinn. Thus the significance of the gardens as income source was extraordinarily high in St. Petersburg.

*Table 4.7. Selected forms of informal economy by two emigration related groups (scale: 0 = no economic importance or employer does not provide, 1 = indicated economic importance)*

City region	Migration-minded (Indicator value 3)			Not migration-minded (Indicator value 0)		
Form of the informal economy	Standard			Standard		
<i>Bratislava</i>	N	Mean	dev.	N	Mean	dev.
1) Selling or exchanging own products	50	0,18	0,39	172	0,15	0,36
2) Opportunity to buy products of employer enterprise at low price	50	0,44	0,50	171	0,25	0,44
3) Company car in private use	50	0,28	0,45	171	0,13	0,34
4) Canteen with subsidised prices	50	0,94	0,24	171	0,94	0,25
<i>Prague</i>						
1) Producing handicrafts for sale	32	0,06	0,25	179	0,03	0,17
2) Company car in private use	32	0,31	0,47	186	0,15	0,35
3) Training / professional development	31	0,55	0,51	190	0,45	0,50
4) Grandparents' help	32	0,44	0,50	185	0,35	0,48
<i>Tallinn</i>						
1) Company-owned residence	30	0,40	0,50	378	0,14	0,34
2) Selling or exchanging own products	29	0,07	0,26	337	0,03	0,16
3) Second jobs	31	0,58	0,50	363	0,31	0,46
4) Gardening for own consumption	30	0,33	0,48	382	0,45	0,50
<i>St. Petersburg</i>						
1) Company car in private use	16	0,63	0,50	346	0,26	0,44
2) Producing handicrafts for sale	17	0,29	0,47	314	0,11	0,31
3) Borrowing money from relatives and friends	17	0,76	0,44	335	0,49	0,50
4) Gardening for own consumption	17	0,35	0,49	352	0,43	0,50

Although all the three urban regions studied differ from each other in the form and importance of informal economy it is possible to draw some general conclusions. Different economic activities that are connected to household, social networks or the employer organisation are more common among those respondents reporting emigration willingness. The only exception to

this generalisation is the importance and significance of gardening for the household's own consumption. Such economic self-sufficiency is more common among the least migration-oriented respondents. Thus the respondents' economic activity, whether it takes place in the formal or informal sector, is related to migration willingness: when economic activity increases, migration willingness tends to increase, too. The expectation from this generalisation is gardening, which seems to tie people to their current place of residence.

Benefits provided by employers are related to the employee's position and status in his/her workplace. Although benefits provided by employers can be considered to be part of the informal economy because many of these benefits are offered "off the books", workplace and employer-employee relationship themselves are formal and licit parts of society. Thus the relationship between employer organisation related informal economy and migration willingness is open to various interpretations. However, it is worth mentioning that fellow employees are part of the social network. For example, borrowing money from friends is a sign of a functioning network. An extensive social network very often means in practice that it is compound of persons representing various social strata. Thus the information given by the social network needed to make a concrete decision to emigrate is, at least in principle, more reliable.

Because it seems that an increase in economic activity increases the mobility of the labour force, it can be maintained that migration willingness for example in St. Petersburg will increase in all labour force groups in an expanding economy. The migration-minded respondents take more advantage of the various forms of informal economy than the least migration oriented. This kind of economic activity can be interpreted as a general intention to improve one's standard of living. Working abroad is one option to realise those intentions.

However, taking advantage of the informal economy in the transition countries was in many cases a must in order to make ends meet. The growth of the formal economy affects migration willingness in at least the following ways. (Supposing that the relative size of the informal economy decreases simultaneously). Firstly, economic growth increases human mobility. Secondly, if economic growth increases the number of new jobs, migration pressures will very likely decrease. Thirdly, even though migration receiving countries try to select educated and skilled labour force matching the needs in their labour market, (illegal) international migration flows will also take place in the sphere of the informal economy.

It is not possible to analyse the very specific meaning of the informal economy for the migration willingness with the data available. Definitions of

formal and informal economies were far from self-evident in the transition economies in the mid 1990s. The most obvious relationship between informal economy and migration willingness is that gardening as a form of self-sufficiency ties people to their current living environment. Thus the most significant causes for migration must be studied in the sphere of formal economy.

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## 4.5. Discussion

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The empirical findings presented in this paper give only a cursory description of the income differences and some selective forms of informal economy in the cities studied. However, according to the empirical findings presented in Chapter 4.5, individuals and households living in European post-socialist countries took advantage of a great variety of different income sources. Despite the state level or macro level economic and political changes it can be maintained that for many individuals the heritage of socialist era informal or second economy was a part of everyday life. Thus, instead of looking at a limited number of indicators illustrating the (macro) economic developments in the post-socialist countries, more attention should be paid to their internal dynamics regarding social processes.

It seems that a long-lasting era of planned economy has created a wide and long-lasting economic subculture. Every social formation has a degree of inertia. Even if a social formation had become redundant, it would take some time before it would completely disappear.

What is more, the historical backgrounds are far more complex and they do not end with the Socialist era. For example, in Estonia, the legislation of the 1930s was used as a constitutional basis when the Soviet Republic fought its way towards the restored independence. In 1987-1988 the aim was economic autonomy, which was promoted in the framework of the Soviet legislation. From 1989 to 1991 the aim was no less than national independence. Constitutionally it was based on the legislation of the 1930s. This example presents a feature that was typical to all post-socialist economies: the institutional lag in the transition. This institutional lag could be seen as leaning on the socialist institutions on the one hand and restoring the old institutions from the pre-socialist era on the other. (Kultalahti et al. 1997, 66.)

The socialist heritage of organising economic activities and the “new” capitalist or market-based economy with its institutional order should not be seen as mutually exclusive alternatives. The legacy of the socialist past persisted and coexisted with the “new” institutions. Although many formal and



informal institutions of the former socialist era are likely to still exist in the post-Socialist countries, due to the collapse of European planned economies the western economic world and economic cultures expanded to the transition countries. At the European and state levels this political and economic process has shown an eastward enlargement of Western enterprises and other economic organisations.

The transition process has caused social polarisation and fragmentation within the post-Socialist countries. New technologies set higher requirements for skilled workforce. As the new private sector and particularly transnational corporations have established themselves in the post-Socialist countries, the workforce has faced not only new jobs and career prospects but also new trends of labour market fragmentation typical for old market economy countries. However, especially in the case of St. Petersburg, fragmentation in the labour market was mostly caused by the general problems in the economic transition.

One of the characteristics of transition economies was the significance of the informal economy, which is emphasised during a crisis in the formal economy. Economic activity integrates individuals into institutions representing different economic cultures. Access to the internal labour markets and upward career in the employee organisations in the formal sector of the economy and economic activity in informal social networks serve as examples of this human integration.

Individuals and households were benefiting from a great variety of different income sources. Despite all the changes on the macro and individual levels the heritage of the informal or secondary economy of the socialist era was a part of everyday life. Thus, instead of looking at a limited number of indicators illustrating the (macro) economic developments in the transition countries, more attention should be paid to their internal dynamics regarding social processes. Moreover, the income level in the urban regions studied was relatively low when compared to the Western neighbouring countries. Taking advantage of various informal income sources was a must for many households to meet their everyday needs.

At the individual level the relations between employers and employees in different organisations are of considerable importance. Enterprises and other organisations are furthermore being interpreted as arenas for human activity which shape individual experiences and expectations. Individuals participate in different economic cultures. Willingness to emigrate is affected by the experiences and expectations of the working population.

Since the late 1980s international migration has emerged as an issue of considerable political, social and economic importance. In Europe, migration pressures have resulted from the ongoing processes of European integration

and from the upheavals in the former socialist countries of Eastern Europe. In the latter group of countries living conditions have changed dramatically. As the status and position of different demographic groups change, feelings of inequality and discontent easily begin to ferment.

According to the survey data of the study most of the potential emigrants indicate willingness to migrate to the traditional destination countries. Thus the future migration flows will very likely resemble the historical migration flows. However, due to the now foreseeable European Union it can be assumed that at the state (macro) level income and GDP differentials between the east and west of Europe will gradually become smaller. Simultaneously, at the regional or micro level, population groups of different regions are being polarised by their ability to take advantage of the expected macro level economic growth. This argument is substantiated by the fact that during the transition process social polarisation has taken place in virtually all the post-socialist countries.

In the long term this polarisation or fragmentation will affect labour market developments on the level of the European Union as a whole, as migration is one of the market-driven mechanisms through which the supply of and demand for labour force seek equilibrium. New technologies have revolutionised both processes and products, thus also changing the demand for immigrant labour force. In other words, fragmentation in the labour market will result in fragmentation in the migratory flows.

At the regional level particular growth poles or centres are the most able to take advantage of the technological development and both the domestic and immigrant skilled labour force. On the other hand, the demand for skilled labour force may be an obstacle to development if supply does not meet demand.

As seen in the industrialised Western countries, mismatches in the labour market easily lead to severe structural problems of the labour market despite prolonged economic growth: continuous shortage of labour force in some sectors of the economy and high rates of unemployment in others. From the regional point of view the problems of the agrarian periphery are the most acute. It is doubtful if the effects of economic growth will automatically spread from the cities to the more rural regions.

In the European context the process of integration of the West European economies and the breakthrough of the global economy have intensified competitive pressures in the labour markets. In these processes the changing technical environment is a central element. Thus, the post-socialist economies are facing simultaneous pressures: the challenges caused by the domestic transition processes, European integration and globalisation.

The labour market developments are a great challenge, especially for small EU countries like Estonia, Latvia and Lithuania. The population and labour force of these countries are small, particularly if seen in the context of the European Union as a whole. Thus in absolute numbers labour force migration from these countries cannot become large. On the other hand, most likely migrants from these countries within the enlarged European Union are those with the highest education and skills. One of the dilemmas of the transition and integration processes will likely be that related to the mobility of human capital.

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## PART II: CASE STUDIES



## THE NEW ROLE OF THE VISEGRAD COUNTRIES AS A REGION OF TRANSIT MIGRATION IN THE 1990S<sup>1</sup>

ÁGNES BAYER

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### 5.1. Introduction

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The fate of all four Visegrad countries (Czech Republic, Hungary, Poland and Slovakia) has always been interconnected with various empires, i.e. Roman Empire, Ottoman Empire, Austro-Hungarian Monarchy, Germany, Russian Empire and the Soviet regime, governing them not only territorially and administratively but also ideologically and culturally. The integration and disintegration of these empires and regimes and the resulting territorial and world orders reinforced by international agreements and treaties were driven by political, often punitive considerations. Thus they neglected the interests of those who were directly affected by these rearrangements giving way to tensions and conflicts of various kinds including ethnic, national and individual. The emerging political, economic and social realities have caused migration challenges within this region reflecting increased flows both into and out of these countries. The objective of this paper is to highlight one of the most recent migration phenomena, namely transit migration, which has

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<sup>1</sup> The paper was received by the editor in 2000. The migration development presented in the paper are analysed until 2000.

developed after the end of the policy of isolation from the late 1980s until the end of the millennium. However, first a brief historical overview of modern migration in the Visegrad region will be presented followed by a glimpse of the present overall migration situation. Having understood the historical migration context of the region a more detailed analysis of the newly emerging transit migration phenomenon, its causes, consequences and future implications will be provided.

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## **5.2. Migration history of the region**

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### **Modern migration (1850-1989)**

Modern migration started in the second half of the 19<sup>th</sup> century. The early flows of migration were characterized by large-scale industrial migration to overseas destinations stemming from, on the one hand, the inability of Central European labor markets to absorb surplus agricultural labour in industrial sectors and on the other, the increasing need in America for all types of labor. Migration between the two world wars saw a redirection of flows from overseas to European destinations under the auspices of bilateral governmental agreements and private recruitment institutions. The outbreak of the two world wars brought about large population mobility no longer characterized by voluntary movements for economic reasons but rather by forced mobility in the form of resettlements, ethnic swaps, deportations, relocation of labour and refugees fleeing from the battlefields or the fear of future governing regimes. During the immediate aftermath of the world wars (1920 and 1945-48) migration was determined by the demands of the victorious countries and the subsequent rearrangement of the national borders. The restrictive, isolating politics of the socialist regimes resulted in a decreased mobility although the emigration of specific groups of people for political and ethnic reasons continued in response to major political events such as the suppressions of the uprisings in Hungary in 1956 and in Czechoslovakia in 1968 and the imposition of the martial law in Poland in 1981. In response to these events approximately 200,000 people left Hungary, 160,000 left Czechoslovakia and 250,000 left Poland (UN 1996). Therefore migration between 1948 and 1990 was driven primarily by political and ethnic considerations although economic migrants appeared in growing numbers in the 1980s, too.



## Contemporary migration (1989-2000)

Towards the end of the 1980s it became clear that neither the totalitarian communist regime nor its softer version “socialism with a human face” could be maintained and a change in the existing structures, political, economic and social, was needed. Central European Countries (CECs), namely Poland, Hungary and Czechoslovakia took the lead in these reforms (1988-1989) followed later by Southern Eastern European countries (Yugoslavia, Romania, Albania and Bulgaria) and the Soviet Union (1992).

Although considerable development has taken place in terms of democratization, marketization and liberalization, the standard of living has not improved to the same extent for all people. The relative stabilization of the economic, political and social situation, however, prevented the countries from any major social eruption but motivated many to adopt new ways of making a living which was also reflected in the migratory trends.

Contemporary international mobility characterizing the Visegrad countries is a complex issue; no strict labels can be applied to the current migration trends. Some migration studies tend to treat international mobility within this region as a quantitative phenomenon and regard migration flows weak or at best moderate when talking about immigration (UN 1996). The apparent quantitative insignificance of migration in this region may be attributed to a number of factors. *First*, the volumes, following an initial upheaval in the beginning of the 1990s, have indeed fallen. *Second*, though improvements have been made, no fully reliable statistics are available concerning the volumes and types of migrants, especially that of the emigrants. Migration statistics are often contradictory and vary by source (for more details see the caveat in the Appendix). *Third*, certain, non-permanent migration patterns (i.e. cross-border employment, seasonal workers, long-term temporary workers) leading to a shift from permanent to temporary migration are, if at all, recorded under different titles. Therefore, it is rather difficult to draw conclusions based on quantitative data, and it is more advisable to consider major trends in a qualitative manner. All migration researches agree, however, on the shift in the role of the Visegrad Countries from a region of emigration towards a region of immigration emphasizing their increasing role in transit migration. This leads to the key problem to be discussed in this paper which is the causes, consequences and implications of transit migration in the Visegrad Region in the last decade of the 20<sup>th</sup> century.

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### 5.3. Transit migration

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#### Introduction

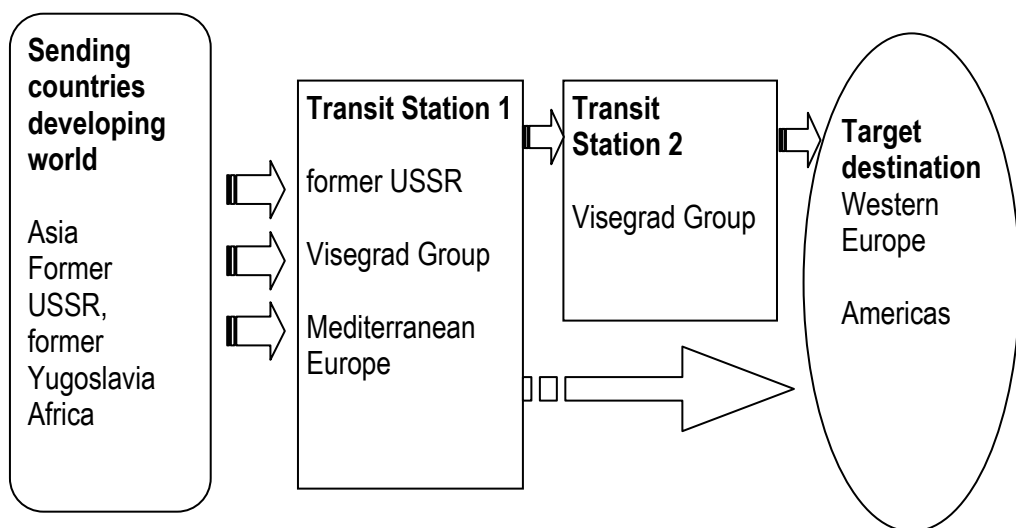
The role of Mediterranean European countries in hosting transit migrants and serving as a springboard to the West (Sopemi 1994; Salt 1992) seems to have shifted, in part, towards the East. Similar to migration changes affecting Mediterranean Europe in the middle of the 1980s, most of the Visegrad Countries have also turned from traditional emigration countries to immigration countries since the end of the 1980s. Poland represents an exception since its net migration balance has remained negative, but even in her case immigration has increased to a similarly significant extent. The role of the buffer zone played so far by the Mediterranean edge of the European Union has, certainly in the East-West but to some extent also in the South-West context, been passed onto the Visegrad Region. These inflows can be attributed to a number of factors including the return of nationals and former political emigrants, albeit to a moderate extent. Ethnic Hungarians started to return primarily from Romania, Slovakia, the Ukraine and the former Yugoslavia to Hungary (2,041 people in 1990 and 2,235 in 1991) while Poland saw the return of ethnic Poles from the former USSR, primarily from the Baltic States and Byelorussia.

Czech and Slovak nationals were returning mainly from the former USSR and Romania (3,000 people relocated from former Chernobyl area of former USSR by end of 1990 and 820 people returned from Ukraine in 1991). Following the break-up of Czechoslovakia, a special form of return migration emerged. New streams of external turned internal migration flows of Czechs and Slovaks into the newly created countries have developed. Apart from this, former political emigrants also returned, albeit in much smaller numbers, from traditional receiving countries of the West, e.g. from the United States, Canada and Germany. Most of those in the latter group returned with the intent to do business, engage in the political life of the new democracies or to spend the years of retirement in the home countries. The small number of such return migrants can be explained, as a rule, by two basic reasons: *first*, most of those who emigrated several decades before integrated well into the receiving country and enjoy a higher standard of living compared to the original home country, and *second*, many emigrants still have doubts about the stability and economic performance of the sending countries. As a result, return migration can be considered fairly moderate in the Visegrad region. (Sopemi 1992.)

Several interrelated factors have, however, played more important roles in allowing and encouraging large inflows of legal and illegal immigrants from scattered sources. These factors include the geographical proximity of the Visegrad Countries to the developed Western world, their borders with the European Union and their dynamic economies coupled with a lack of appropriate legislation and liberalized mobility and border controls in the early 1990s. Particularly important sources of these migrants are: Southern Europe (predominantly Romania and former Yugoslavia but also Bulgaria) and Eastern Europe (former Soviet Union and Asia) but also the Middle East (members of the Arab League) and Africa.

Figure 1 gives a simplified illustration of the new pattern of transit migration flows from the developing to the developed countries through the newly emerged transit stations. As it can be seen countries can fulfill double functions. The countries of the former USSR, for example, represent sending countries of their own nationals but they also act as transit countries for other Eastern European or Asian countries. The Visegrad Group as well as Mediterranean Europe act both as transit stations and target destinations. Transit migration represents a multi-stage, stepwise process; it is quite common for transit migrants to pass through several transit stations before reaching the final destination (IOM 1994b; c; e; IOM September 1995; IOM September 1998). The involvement of transit stations, often distinguished with a reference to the “country of first asylum” (Desbarats 1992), and the consequently emerging multilateral interaction represents a characteristic feature of transit migration. Migrants or more typically traffickers identify the easiest gateways and use formal or informal networks to pass through them to their desired target destination.

Despite tightened legislation and immigration control, and a large number of expelled people and those turned back, the number of immigrants, and transit migrants among them, has not reduced to the same extent in response to legislation efforts. Although well-guarded Eastern borders of the European Union act as filters of illegal migrants, inadequately guarded borders on the East of the Visegrad region coupled with often corrupt customs control personnel still allow for the inflow of a large amount of illegal migrants heading the West. Therefore the Visegrad Group has remained a transit region up to the present time. Given the highly irregular nature of this phenomenon and the consequently reduced ability to measure its exact extent, the present article has drawn mainly on qualitative research material.



*Figure 5.1. Simplified scheme of transit migration flows in Europe in 1990s*

Further transit stops are often made within the main regions indicated above. Thus, for example, a transit route of a refugee from former Yugoslavia may be as follows: from Macedonia, to Hungary, through Slovakia and the Czech Republic, and to Germany. Asian migrants usually prefer the so called “Moscow, Kiev or Minsk Routes” then coming to either one of the Visegrad countries to continue to the West or one of the Baltic States to continue to Northern Europe (IOM 1994e; IOM September 1995; IOM September 1998).

## **Major trends and routes in transit migration in CECs in 1990s**

At the end of the 1980s and the beginning of the 1990s, all the Visegrad countries, characterized as an area of emigration up until the change in the political system, had to face sharply increasing flows of immigration. Furthermore, migrants-in-transit represented an unprecedented large group (Sopemi 1992). This group of immigrants could be distinguished from the other immigrants by their lack of willingness to settle or seek formal, long-term employment and by their intent to move onto a third, as a rule, Western European country, thereby using the Visegrad region as a springboard. These immigration flows affected the Czech Republic and Slovakia to a lower extent, while Hungary and Poland to a considerably higher extent. Most of these flows have been illegal or irregular by nature (see Table 5.1 and the

Caveat), often involving criminal activities, such as smuggling and trafficking operations thereby causing political and administrative problems in all the countries concerned be it the receiving, the transit or the sending country.

When studying the trends of transit migration, which have emerged in the 1990s in the Visegrad region, three phases can be distinguished. *The first* is the immediate aftermath of the change in the political regime inducing large-scale migrant flows (1989-1992). *The second* is the period of revisiting old migration policies and practices and introducing new, tightened legislation and border control resulting in a relative drop in the number of migrants (1993-1996). *The third* is an intensified period, although not as high as the first period, seeing a revival of the number of illegal migrants and a continuation of the development and revision of migration related legislation (1997-2000). All four countries, together, have been recognized as an area of short-term immigration and transit migration (IOM 1994b; c; e; IOM December 1995; IOM News Release: March 1999; Sopemi 2000).

### ***First phase***

The early 1990s saw an intensified move of several people of various *ethnicities*. These migration waves included, amongst others, Soviet Jews, who went to Israel via Hungary and Poland and Germans from East Germany to West Germany via Hungary (10,500 Germans in 1989 see Sopemi 1992), the CSFR and Poland. Apart from the return of such ethnic groups, other ethnic related factors have come into the fore. A large group of migrants has emerged as a consequence of the ethnic conflicts and the subsequent *war* in former Yugoslavia since the second half of 1991. While many have returned to their place of origin and some have stayed in refugee camps in the Visegrad countries (primarily near the Southern borders of Hungary), many have sought asylum in a third, Western or Northern European, country. Significant numbers of Bosnians, mainly Muslims, continued to a third country, primarily to Austria and Germany (Sopemi 1994) due, in part, to evaporating hopes for being able to return home. In the early 1990s Romanians and Gypsies from the Balkans used primarily Poland and the Czech and Slovak Federal Republic (CSFR) as a springboard to Germany and Sweden, and Turkish refugees crossed the German-Czechoslovak border to enter Germany.

Simultaneously with the movements of ethnic groups and war refugees, an increasing number of asylum seekers and refugee status applicants (Table 5.2), have been arriving in the region often stating false reasons or using illegal means. In 1992 a considerable part of refugees, though smaller in overall number than previously, used illegal channels to move to the West for

admittedly economic reasons in Poland. Similar trends could be observed in the Czech and Slovak Federal Republic in the same period of 1991-92. Refugees in the Czech Republic, composed mainly of Romanian and Bulgarian people and persons from the NIS, left their refugee camps fast and “disappeared” (Sopemi 1994). Therefore it can be assumed that a considerable part of them went to more developed countries. The same applies for asylum-seekers in the Czech and Slovak Federal Republic during this period. It can be assumed that several asylum-seekers and refugees attracted to the Western labor market considered their temporary host countries in Central European countries as a stepping-stone to the West due to economic reasons and a disbelief in the political stability in post-socialist countries.

Since many nationalities enjoy a relatively easy entry to the Visegrad region, a new stream of illegal migrants, a part of whom turn into illegal transit migrants, has emerged in the form of overstaying tourists. In case of Poland, for example, it can be assumed that a part of the increasing number of overstaying tourists from the USSR, Romania, East Germany and Bulgaria in 1989-90 (Sopemi 1992) continued their journey towards Western countries while others became engaged in illegal labor.

The difficulty involved in distinguishing between asylum-seekers, refugees, overstaying tourists and pure economic migrants, as well as the often illegal nature of migration, have become an inherent feature of transit migration and thus a rather delicate social and policy issue. It can be assumed that the number of registered illegal migrants in the Visegrad Region and the number of registered illegal border crossing attempts constitutes only a fraction of the total number (Table 5.1). The fact that the majority of illegal border-crossers, i.e. 80-90% of all those apprehended (Sopemi 1995), are caught at the Western borders when trying to leave the country (IOM 1994b; c; e) reconfirms the transit function of this region.

## *Second phase*

The middle of the 1990s saw the continued role of the Visegrad Region as an area of transit migration. By the second half of the last decade, specific routes have developed as established paths used by migrants trying to reach one of the more developed countries in the West. Migrants in Slovakia, as a rule, enter Hungary to reach the Czech Republic, Austria or Poland. Due to tightened border control on the Austrian-Hungarian borders, a certain redirection of migrant flows from Hungary to Slovakia started in 1994 (Sopemi 1995). In case of Poland, two major routes can be distinguished - one originating in the Indian subcontinent (Afghanistan, Bangladesh, India, Nepal,

Pakistan and Sri Lanka), Western Asia (Armenia, Iran, Iraq and Turkey) or certain African countries (Ethiopia, Liberia, Nigeria, Somalia and Sudan), the other starting from Armenia, Moldavia, Macedonia, Romania and Turkey, both routes leading mainly to Germany. Migrants, considering Hungary as a transit station, enter the country through the Eastern border from the Ukraine or the Southern borders from Romania and the former Yugoslavia and leave it via the Austrian, Slovakian or Slovenian borders (Sopemi 2000). Since the Czech Republic does not have a direct border with typical sending countries, illegal migrants, composed mainly of nationals of Romania and former Yugoslavia and partly of Russia and the Baltic States, arrive from its neighboring countries such as Poland or Slovakia to continue primarily to Germany (IOM 1994e). In this respect, the Czech Republic can be characterized as a second transit station (see Figure 1) and, since it did not sign a re-admission agreement with Germany up until the middle of the 90s, it was less exposed to having to accommodate large numbers of illegal migrants compared to the rest of the region.

The number of migrants, both legal and illegal, short-term transit, long-term temporary and permanent, has declined in this period, which can be attributed to various factors. *First*, it is likely that, after the large-scale mobility following immediately the liberalization of international mobility and border control, these streams have reached some kind of peak or saturation level, i.e. those who had been determined to leave did so once it became viable. *Second*, the deterring effect of new legislation put in place to regulate immigration and combat illegal migration in the region has, undoubtedly, had an impact on the decrease of the number of migrants. However, reports on transit migration in the middle of the 1990s draw attention to a new phenomenon, that is, the emergence of foreign students studying in the Visegrad countries but not intending to return to the country of origin (IOM 1994b,c; Sopemi 1995). Based on evidence showing that some students registered as exchange students have not spent a day studying and that some have applied and received new scholarships in other, as a rule, Western countries, it can be assumed that a certain part of these students use the student status as a pretext, camouflaging their real interest in moving on to a third country. Student status is often used as an experimental, information gathering, network building period helping the potential migrant decide on and implement his migration plans in future.

### ***Third phase***

As opposed to the declining tendencies observed in the second phase, the number of migrants, especially that of the illegal ones, has begun to increase again since 1997. Tightened legislation, while initially having a deterring effect, has also encouraged the spread of illegal migration and the redirection of flows from old to new routes. Networks, both formal ones created by previous migrants or local acquaintances and informal ones maintained by traffickers, have re-established themselves and contributed to the revival of transit migration characterized by an increasingly illegal nature.

### **Determinants of transit migration**

Based on the trends described above, the following can be identified as the major determinants inducing transit migration in the Visegrad region in the 1990s.

#### ***Ethnicity, war***

The period of transition all over Central and Eastern Europe has been accompanied by the eruption of suppressed geopolitical and national aspirations thereby contributing to extensive international population mobility. The early 1990s saw the intensive move of several peoples of various ethnicities. Ethnic origin represented a major driving force in choosing the destination country for permanent settlement thus posing a new challenge for the Visegrad region, used as an intermediate station. These migration waves included, amongst others, Soviet Jews, who went to Israel via Hungary and Poland, Germans from East Germany to West Germany via Hungary (10,500 Germans in 1989, see Sopemi 1992) and Poland. Apart from the return of such ethnic groups, another ethnic related factor has come into the fore since 1991. The ethnic conflicts in the territory of the former Yugoslavia and the subsequent war have represented a strong push effect and led to a large number of refugees seeking asylum either in the Visegrad countries or in a developed Western country.

#### ***Legislation gaps***

One of the main factors causing the large-scale development of this particular type of migration phenomenon at the end of the 1980s and the beginning



of 1990s was undoubtedly the liberalization of international mobility and border control. This has turned into a major pull effect, as it has been perceived by many migrants as an opportunity to cross the borders to the West easily and often illegally. In response to this increased inflow of immigrants, often with the purpose of moving on to a third country, legislation and border control mechanisms were tightened in the early 1990s resulting in a drop in the total number of immigrants and illegal migrants between the period of 1993-1996. Since 1997, however, a reverse tendency has been redeveloping; immigration and more increasingly illegal migration have mounted, which might force the Visegrad countries to further reconsider their policies.

Legislation inefficiencies are not limited exclusively to guarding borders. Unclear, ambiguously defined economic and business rules and regulations have made the emerging marketplace very attractive for several businesses wishing to profit from the transitional status of the economy. This has resulted in the proliferation of retail businesses which, in response to tightened rules and deteriorating living standards in the region, often close and move onto another country. This tendency has been most typical among Asian nationalities such as Chinese, Vietnamese, etc. (IOM September 1995). In addition to this, the inability of legislators and those responsible for enforcement to combat traffickers efficiently has made trafficking itself a significant pull factor (IOM September 1998).

### ***Economic - labor opportunities***

Another key factor playing an important role in attracting and maintaining transit migration, as mentioned above, is the opportunity offered by the emerging marketplace within the dynamic economies of Central-Europe. The development of the labor markets in all the four countries has provided all kinds of migrants with labor opportunities, and thus it has been operating as a major pull effect especially at the beginning of the 1990s. In the Czech Republic, for example, the labor market became attractive due to its low unemployment rate, labor shortage and booming tourist industry. This has, in turn, offered employment in services and particularly in the construction industry, providing both legal and illegal job opportunities sheltering a great number of transit migrants (IOM 1994e). The Polish and Hungarian markets could not boast low unemployment rates, but they have nevertheless become attractive for two basic reasons. **First**, migrants could still advance better compared with their home countries even on lower wages, and **second**, the informal economy has been of such extent that it could provide shelter for several migrants. In the Visegrad Region, the transition to a truly free market economy and the popula-

tion's ability to cope with this change financially has created a gap, which is often filled in by the informal market. Many immigrants, and among them transit migrants having to make some kind of subsistence before moving on are often engaged in such informal economic activities. In all countries, but especially in Hungary where, according to some estimates, the informal sector accounts for 30% of the country's GDP (Sopemi 2000) but also in Poland, the operation of black markets is quite common. Moreover it is not only accepted and supported by the public but is also tolerated unofficially by the authorities (Sopemi 1998) as a means of compensating the low purchasing power of salaries and of maintaining a reasonable standard of living. According to a September 1991 estimate, there were approximately 1,000 people employed on an irregular basis in the agricultural regions of Poland while some other estimates suggest up to 30,000 seasonal workers from the former USSR and Bulgaria. In Hungary according to unofficial estimates of the Ministry of Labor there were from 70,000 to 100,000 foreigners in the illegal labor market during the first half of the 1990s (IOM 1994c).

Whether formal or informal employment, the large wage differentials as well as the considerably higher purchasing power of wages earned in the Visegrad countries compared to the home country have acted as pull factors. Recent studies have shown, however, that a reversal trend has emerged, and the early pull effect of the labor markets may actually turn, and has, in part, already turned into a push effect towards the second half of the 1990s (IOM September 1995; IOM December 1995). Reducing employment opportunities in the Visegrad countries due to labor market difficulties (i.e. high unemployment rate as a result of large-scale restructuring of the economy even in the Czech Republic) and policy measures adopted subsequently to cut back foreign employment have encouraged migrants to leave (Hönekopp 1992). This coupled with lengthy and burdensome registration procedures, xenophobic feelings and deteriorating living standards have led to several migrants moving onto another country where economic, social security and labor market conditions are more favourable.

In summary, it can be established that economic considerations represent a more often openly admitted reason for migration even amongst asylum seekers and refugees. In fact, it has been suggested that, in some cases, political oppression, in itself, may not actually force the migrant to leave; however, political oppression coupled with economic difficulties is more likely to act as a final push (IOM 1994c). This assumption is also reconfirmed by the observation that in all countries under investigation the composition of labor immigrants shows a strong correlation with the composition of transit and illegal migrants.

## ***Lack of reliable information***

Transit migrants, as a rule, receive information from two main sources: word-of-mouth information from previous migrants' formal and informal networks and information through the media (IOM 1994e). In both cases the extent of distortion can be rather high because unsuccessful migrants are not always willing to admit their failure and also because media policy is selective and tends to submit itself to the interests of certain pressure groups. Thus, the often overestimated positive image of the West stemming from scarce or a lack of reliable information about living conditions, work opportunities, legal procedures concerning access to asylum, and refugee status represents an important pull effect. This can be well illustrated by a newspaper citation concerning the large-scale out migration of Czech gypsies: "...*But the Gypsies have filled Toronto homeless shelters to overflowing. Their arrival has forced Canadian immigration officials to puzzle through a refugee wave apparently started by word of mouth but stoked by a Czech television documentary that portrayed Canada as a land of spacious housing, plentiful welfare, jobs for the asking and trips to Niagara Falls.*" (The Detroit News 1997). This, in part, contributes to the repeated attempts by unsuccessful migrants to cross the border over and over again rather than return home (IOM September 1998; IOM 1994c). Migrants do not tend to use the services of official agencies, migration information offices. This area needs more development and emphasis in the future as a key communications channel in disseminating real and correct information.

## ***Network***

As can be seen from the trends described above, standard neo-classical models of migration based on utility maximization, income differentials, economic growth and liquidity constraint hypotheses cannot account for all the migratory decisions, in particular those related to the choice of the final destination and the route there; thus they have to be extended by new concepts. Many have established that "*it is not the poorest of the poor who migrate but rather those who have resources to secure the necessary conditions and a personal motivation*" (Jungbert 1996). However, in case of secondary wave migrants and among the pioneers, the existence of networks of friends and acquaintances and even established Diaspora have had great impacts on final migration decisions and acted as a major pull effect. Transit migratory patterns, in particular, reconfirm the validity of network and path dependence theories (Moretti 1999). Several studies (IOM 1994e; IOM December 1995)

have pointed out that new waves of transit migrants tend to exercise a path-dependent behavior; and it is exactly this behavior that has, among other reasons, strengthened the function of the Visegrad Region as an area of transit migration. These networks may be of different types, ranging from the formal networks of established Diaspora on the West and the newly emerged ethnic communities created by pioneer (primary) migrants, through the networks of migrants established with local people, to the informal networks of traffickers providing short-term commercial services. Word-of-mouth information provided by and about such networks can not only act as a pull effect, but it can be a major source of information giving both a realistic, but often also distorted, picture of living and working conditions abroad, which in any case have a great impact on the decisions of potential migrants and may thus induce further migration waves.

Based on the above, three major types of transit migrants can be distinguished - *first*, those who leave for ethnic reasons, *second*, those who flee from war and *third*, those who leave in search of a better economic life elsewhere, i.e. economic migrants. Final migration decisions are often influenced by a mix of factors. Although economic ones tend to be the dominant, there are other factors. For example, the perceived social benefits of moving and the existence of networks, apart from financing the initial period of one's stay abroad, also facilitate one's adaptation and integration. However, as indicated before, in many cases the official status of a migrant or the purpose of the stay as declared by the migrant and his real intent may not overlap, implying the intertwined nature of the above categories and making their accurate measurement rather difficult.

## ***Effects of transit migration***

Orderly migration, in an ideal world, could act as a positive balancing mechanism diverting surplus labor to places where there is a shortage of labor and directing surplus or obsolete skills where there is a need for them and it could also help even worldwide demographic discrepancies. Apart from the intensive scholarly debate regarding the above statement, actual recent migration events have also reinforced that such movements, especially if reaching larger scales and being of irregular nature, can have an adverse effect. The resulting situation may cause economic difficulties as well as political and social tensions leading to the discrediting of orderly migration. In the present section, existing and potential effects of transit migration will be discussed from economic, cultural, social and political aspects.

## *Economic effects*

The economic effect of labor movement can be determined only in the context of the given situation characterizing the labor markets in the countries involved in migration. The transfer of scarce skills from the sending country can turn into "brain drain" having a negative impact on the source country both in the short and the long run. In case of a migrant's inability to find a job matching one's qualifications, which is often the case, it may also result in "brain waste" (i.e. highly qualified people taking upon jobs requiring skills/knowledge well below their capabilities) for both the person and the countries. The transfer of surplus skills to another country, be it the temporary transit or the permanent target destination, may have a positive effect on the labor market if there is shortage of those skills, but it can also represent a transfer of unemployment from one place to another should the skills be not required at all in any of the markets. Since in the Central European context a substantial part of transit migrants are illegal, they are most likely to find employment in the informal economy. This implies that employers in the transit countries can have access to cheap labor which might seem profitable on the short term but which has serious negative effects on the long term.

*First*, it maintains the already oversized black market activities in the Visegrad countries. *Second*, it lowers the wages, which has a negative impact on the employees. Case studies, carried out to establish whether a correlation between labor market and migration exists and, if so, in what way, suggest that an active search by local employers for cheap foreign labor, primarily from Romania, Bulgaria and the Ukraine, to pursue unskilled jobs has encouraged the substitution of local labor by migrant labor working for longer hours and considerably lower unreported wages (Hárs 1992; Sik 1999). Places, such as Moscow Square in Budapest (Sik 199) or the Sparta Stadium in Prague (IOM 1994e) where employers come to recruit migrant labor for informal activities are well known among all including migrants, mediators and employers on the one hand and authorities on the other. The involvement of locals occurs only when specific skilled jobs requiring the knowledge of certain local standards are needed, but even then, such jobs are carried out by small entrepreneurs failing to report their activities officially. This results in a competition between local and migrant workers which often leads to forcing the local workers to lower the prices of their services and to hide such incomes, which, in turn, increases local unemployment and the size of the informal economy. *Third*, since labor-intensive production is available cheaply, there is no motivation to increase productivity, employ new technology, and restructure economies

needed so desperately in this region to secure competitive positions in global markets. Also neither employers nor employees pay any taxes, social insurance or pension fund contributions, which, besides violating the laws and being unethical, makes supporting migrants who use public services even more expensive to taxpaying citizens.

## *Social effects*

The social consequences of transit migration are equally important. It has already been mentioned that irregular migration triggers further migration streams, which in turn, boosts more trafficking (to be described in more detail below). The more illegal migrants emerge, the more exposed they become either to traffickers or their temporary employers in the transit country. A large supply of cheap illegal labor often leads to labor exploitation in the form of even lower wages and long working hours, which may lead to violence and crime. Since the willingness of transit migrants to integrate into the society of the transit station is close to none, this gives a ground for xenophobic feelings. Migrants might demonstrate a higher degree of adaptation in the destination country; however, the argument put forward by many about the use of migration in enhancing cultural diversity is not necessarily perceived as positive by the local population. Usual problems arise from the local population's hostile attitudes towards foreigners for justified and less justified reasons, which create a fear of crime and loss of public security. The most common ones are the belief that foreigners take away jobs from the locals and are involved in criminal activities. The latter is particularly true with regard to violations against private property. According to a report by the International Organization for Migration (IOM) the primary violation is theft (IOM 1994b). At the micro level, the increasing number of both illegal and even legal immigrants has caused various reactions in the individual countries of the Visegrad region. Polish studies report on "*an increased tolerance towards alien cultures, and cultural diversity in general, and a certain urge to take up the challenge offered by foreign competition in the Polish labor market*" (UN 1996). "*A high degree of tolerance of foreigners*" is also reconfirmed by IOM (IOM 1994c); although the same publication notes that, *in certain districts of Poland, xenophobic feelings are not rare* (ibid, 51). However both older and recent opinion polls and studies concerning xenophobia in Hungary reveal a rather low level of tolerance towards immigrants (Sik 1992; Bôhm 1993; UN 1996; Sik 1998; Magyar Hírlap 2000). The mass exodus of gypsies in Slovakia and the Czech Republic does not show a high level of tolerance in these two countries either.

Under such circumstances, doubts might be raised about immigration as a tool for managing demography-related problems. Table 3 shows that, in Hungary and the Czech Republic, population growth had become negative by the end of the 1990s. In Slovakia and Poland, the rate of growth is very moderate, and all countries have experienced a declining trend in population growth compared with the beginning of the 1990s. The need to combat the problem of declining population has been on political and social agenda for a long time not only in Central but also in Western Europe, particularly in the context of ageing populations. A logical and not unprecedented solution to this problem could be the attraction of immigrants. The establishment of selection criteria in favor of immigrants presents a sensitive and difficult political and social issue in itself. Topped with xenophobic feelings among local population against foreigners due to their involvement in irregular activities, organized and petty crime and not rarely negative media feedback, the implementation of any beneficial immigration scenario becomes quite difficult. In Hungary, for example, an immigration scenario has already been developed by the ad hoc parliamentary committee on demographic matters whereby immigration has been mentioned as one of the possible options for re-establishing demographic balance (Magyar Hírlap 2000). Neither local xenophobia, nor the large-scale presence of illegal migrants make it easy to implement such a scenario. Moreover, the extent of illegal immigrant labor, which is determined by the size of the black economy (Layard et al. 1992), causes not only low morale among the migrants but also among the local people who are involved in maintaining this situation.

### *Political effects*

Irregular transit migration causes political tensions in all the countries concerned. The issue of repatriation of illegal migrants represents a delicate diplomatic and a costly task. Bilateral agreements have been signed concerning readmission, and the harmonization of migration policies is currently in progress in Europe. International migration organizations and countries concerned have realized the need for the development of a common immigration policy to be elaborated as a joint effort. Trafficking, in particular, has been identified as one of the crucial areas to be combated at an international level. Before providing a more detailed account of policy responses to the increased flows of immigration into the Visegrad Region in the 1990s (Section 2.6), an overview of trafficking, one of the most important effects of the newly emerged transit migration phenomenon, will be given.

## *Trafficking*

As it has been suggested earlier, irregularity has become an inherent feature of transit migration. Methods used to cross a border illegally range from buying or forging documents, including passports and invitation letters, through bribing officials and crossing the so called “green border” (i.e. border sections between two checkpoints), to the use of traffickers. This latter means has become a rather widespread method, and its increasing role has attracted the attention of both police and academic investigation.

Trafficking is a highly organized criminal activity based on the use of international and local networks. Although less organized, trafficking also exists in the form of petty smugglers working on their own. IOM, which carries out probably the most substantial research in this field, has identified four basic criteria defining trafficking as follows (IOM September 1998):

- 1 an international border is crossed,
- 2 some irregularity is involved in that migration (illegal entry, over-staying, etc.),
- 3 a facilitating party is involved in the migration and
- 4 this facilitator gains from his services.

International trafficking organizations have extensive networks involving several countries, they are highly mobile, they can flexibly change their methods, routes, headquarters, and they have advanced logistics and up-to-date telecommunications means. With the increase of transit migration coupled with the introduction of tightened legislation, it has become a rather profitable activity involving not only the smuggling of migrants but also drug trafficking, drug dealing, trafficking in women, and prostitution (IOM News Release: March 1999; November 1999; IOM May 1995; IOM Project Report 1998). Trafficking in women from Central and Eastern Europe has become one of the most crucial problems since the 1990s. The shift towards democratic systems and the consequent structural changes have left many people unemployed in this region; among whose, women represent the vast majority. In one of the major source countries, the Ukraine, for example, approximately 90% of all unemployed are women (IOM Project Report 1998). This, coupled with the proximity of this region to the European target destinations (e.g. Belgium, Netherlands) and liberalized mobility and border control, has made the region even more attractive than previously preferred Asian source countries.

Migrants wishing to get asylum or just have a better life in a more developed country are willing or forced to use and pay traffickers, who provide a wide range of services for a fee. According to one estimate approximately USD 4,000 was paid by each migrant trafficked through the Baltic States in



1995-1996 (IOM 1997). Services may include the following: provision of information, supply of forged documents, making transportation arrangements to the point of crossing, helping people cross the frontiers, and making short-term accommodation arrangements near the borders. Information about the availability of trafficking networks is usually disseminated by word-of-mouth based on the recommendation of previously successful migrants or the marketing efforts of traffickers who usually use black markets and their informants to recruit customers. Some traffickers may be camouflaged as legal travel agencies (IOM 1997).

Some reports indicate that trafficking along established trafficking routes acts as a pull factor encouraging further migrants to follow the same path using traffickers such as the case of Afghan nationals crossing via Hungary (IOM December 1995). The established trafficking routes include the "Moscow, Kiev and Minsk Routes" preferred by nationals of Asian and former USSR countries wishing to get to Prague, Hungary or the Baltic States, which are the last transit stations before reaching the target destinations (IOM September 1995; IOM September 1998). Amongst the best-organized trafficking organizations are the Chinese "Snakeheads (She-tou)" whose sophisticated networks are camouflaged as Chinese restaurants, stores, etc.

Since trafficking implies a form of irregular migration, it not only violates the law, but it also presents a national security problem and a human rights issue, and more importantly, it undermines the positive function of regular, orderly migration. Moreover, since it is a complex, transnational, organized criminal activity, it has to be addressed by the joint effort of all the countries involved.

## **Future alternatives – stay, move on or return**

Several studies have indicated that many immigrants arriving in Central-Europe initially with the intent of moving on to a more developed region have stayed, and some have even returned home voluntarily (IOM 1994b; c; e; IOM September 1995; Einwachter 1994). The Visegrad Region acts as an experimental base for migrants to see how they will get by in the West.

An analysis of the considerable social mix, which exists amongst migrants, is useful for two purposes. **First**, by identifying the social composition of migrants, light can be shed on the determinants of their move and their future choices. **Second**, by differentiating among the migrants and analyzing their socioeconomic profile, more comprehensive programs and policies can be devised to address migration related problems.

## *Characteristics of transit migrants*

An exact analysis of the socioeconomic profile of migrants is beyond the scope of the present study; however, some general observations can be made. Migrants tend to come from all strata. As a rule migrants from geographically distant areas such as Asia (Chinese, Vietnamese) tend to come from the upper stratum as only they can afford the high costs of migration such as the cost of transportation, traffickers, setting foot on a completely new land, etc. (IOM 1994e; IOM September 1995).

Asians particularly arrived with the intent of profiting from the new business opportunities rather than for political reasons. They consequently engaged in trading or catering businesses achieving a higher standard of living than many other migrants and are often successful by local standards. They often employ their own compatriots thus inducing further migration waves. Migrants from all strata arrive in the region from areas disturbed by war (e.g. territory of former Yugoslavia, Armenia and Georgia) or faced with economic difficulties (e.g. Romania, Bulgaria, Russia etc.). People of lower strata are usually composed of discriminated minorities oppressed in the sending countries (e.g. Russians in NIS, Turks in Bulgaria, Roma in Romania) and can be found mainly in the refugee camps. Those who have contacts or needed skills are able to live within the local community; while the others are forced to stay in camps. Downward mobility, both economically and socially often in the form of "brain waste", is more often the case than upward mobility even among the more successful migrants (IOM 1994e). The typical profile of a transit migrant is that of a single man aged between 21 and 40 with family, if any, following once he has reached the desired destination country.

## *Staying*

As shown above the intent to stay is fairly high among certain nationals, e.g. Asians (Chinese, Vietnamese) and Africans. A reason for gaining acceptance so readily may lie in their culture being so distinct and novel from the Central European culture that they can trade on their ethnicity. This is clearly reflected in the spread of oriental restaurants and the popularity of African and Asian food stores as well as street stalls selling folk art items. This degree of acceptance does not hold true for other Eastern European countries presumably due to political reasons related to the past and the subsequently developed negative psychological association of "compatriots of the former socialist/communist bloc". Interestingly enough, this is not the case with Chinese and Vietnamese who maintained the same ideology and may still maintain it; however, the mystification of Asian/Oriental culture seems to prevail. Consequently, the more actively a migrant is involved in the local economy

the less likely he or she would want to move. However, this also suggests that a change in both the legal and business environment (for example, declining economic opportunities, levying increased import taxes, and a more rigorous surveillance of businesses) and the marketplace (more and more layers within the society with better purchasing power and an interest in good quality products) will leave less room for benefiting from the transitional status of these economies. This implies that many may move on to less strictly controlled countries such as Romania, thereby reconfirming the waterfall effect.

Another group of those who stayed in the transit country is the unsuccessful transit migrants (e.g. cross-borders apprehended) who were forced to stay in the region either as forced asylum seekers or illegal migrants pursuing illegal economic activities to create the financial conditions for moving on. These migrants are likely to stay only temporarily and will move on as soon as possible. A third group may be composed of those who have simply changed their mind and decided to stay in the region for personal reasons (e.g. marriage with a local) or because they have realized that they could not move on but were determined not to return. Such people usually consider that although living conditions in the transit country may be below their expectations, they are still above those in the country of origin. This group includes many who have had inadequate information about surviving abroad; therefore, their stay in the transit station has also served as a learning experience.

## ***Moving on***

Migrants who usually continue to the West are composed, first of all, of young, usually male migrants with transferable human capital or skills needed on Western European labor markets, second, of those who have access to informal networks and possess enough money to pay traffickers, bribe officials or buy forged documents, third, of those who have formal networks providing initial help, and finally, of successful asylum seekers who are granted the status of refugee either on political or humanitarian grounds in the target destination. It has also been experienced that perseverance is rather characteristic of transit migrants not only among those with means to make migration happen, but also among those who come from the lower strata or disadvantaged groups and have nothing to lose (IOM 1994b; IOM 1997). This has led to several attempts to cross the border by the same individual despite repeated expulsions.

Moving on does not necessarily imply an East-West direction. As mentioned above, certain groups, e.g. Chinese, have arrived in Central Europe

from the West to benefit from the advantages of the political and economic transition. Once these countries stabilize, enforcement starts working properly and the marketplaces become more mature, these businesses are likely to move on to locations where the legal and economic climate is more favorable, e.g. to less developed Southern and Eastern European countries (IOM September 1995).

However a considerable number of transit migrants are hesitant about where to move and how to move suggesting that the propensity to migrate further, actual migration action, and success may not coincide. Therefore, only a fraction of the potential transit migrants actually move onto a third country (IOM 1994b; c; e).

## ***Returning***

Studies have also shown that a number of migrants return home or intend to return home eventually. These include economic migrants, such as those of Asian origin, who, after creating the financial basis for their future existence, return to the home country. Some may return after the immediate threat of war or oppression has ceased or eased and the country's internal situation has consolidated (e.g. refugees from former Yugoslavia). However, this group is rather small, and it has been found that many, who hoped for a return once the situation has consolidated in the home countries and thus settled near the border, have had to see their dreams evaporate and find themselves staying abroad permanently, e.g. Romanians arriving before the Revolution in December 1989 and refugees fleeing from the war in Yugoslavia (IOM 1994c). A third group of unsuccessful migrants may be forced to return either by law or coercive measures or leave voluntarily, having no other choice. Again this small group of transit migrants tend to be rather persistent and make repeated attempts to cross the border or settle in the transit country rather than return.

## ***Implications***

As can be seen above, there are a large number of hesitating transit migrants who continually switch between the alternatives of staying, moving on or returning either voluntarily or due to external circumstances and forces. There seems to be a considerable difference between plans and future reality. Migration decisions are influenced by a mix of factors ranging from political through social to economic. Therefore, tightened legislation can be but one of the many ways in which to address the issue of migration. An understand-

ing of the inadequate information available to potential migrants suggests that providing adequate information at an early stage, in the core areas most exposed to higher out-migration flows, can prevent the outflow of certain groups. Furthermore, the identification and analysis of hesitant groups can help elaborate more comprehensive, custom-tailored policies. This, however, suggests a proactive, rather than a reactive approach.

### ***Policy implications***

The above analysis has shown that, although people of different nationalities have come to or passed through the Visegrad Region in the 1990s for various reasons, there was one common point; most of them chose these countries to benefit from the *transitional status* of these democracies and economies as well as the *weaknesses of legislation and enforcement*. Thus while the majority of Chinese migrants came to profit from the dynamic business opportunities of the region, several groups of refugees, asylum seekers fleeing war or ethnic oppression and some purely economic migrants, have used the CECs as a springboard to the West relying on legislative gaps, border control inefficiencies and formal and informal networks thus contributing to the emergence of large-scale immigration and transit migration. It follows from the above that migration trends in the 1990s cannot yet be characterized by a full integration into orderly world migration schemes but rather by a temporary situation whose extent and duration will depend on the way the issue is dealt with in the countries, both at a macro and the micro level. This implies that the management of migration issues such as repatriation and covering the high cost of returning a migrant (e.g. the cost of returning one migrant from Hungary was US\$ 1,200 in 1992, see IOM 1997; Sopemi 1994) represent a delicate policy task. This problem gains special momentum in view of the upcoming accession into the European Union and the developing dichotomous situation presented by the interests of state security and the need to harmonize national legislation with that of the EU. In this section an overview of policy efforts will be given followed by an account of future prospects after the accession to the EU.

### ***Policy measures to regulate immigration***

Unsuccessful, apprehended transit migrants are, as a rule, returned by Western countries to the last country they resided in. Consequently the Visegrad countries, as safe third countries based on the readmission agreements, are obliged to assume full responsibility for those who crossed their borders il-

legally when trying to enter a Western European country. The increasing number of such incidents has forced all four Central European countries, which introduced liberal mobility and border control measures at the end of the 1980s and beginning of 1990s, to combat illegal movements and redevelop and reintroduce tightened control mechanisms. New, more clearly defined and more specific legislation was developed. In the Czech and Slovak Federal Republic (CSFR) a new law concerning the stay of foreign nationals in CSFR came into effect on 1 October 1992. In Poland *The Parliamentary Amendment to the Alien Law*, concerning less dramatic changes pertaining to the obligations of foreign citizens during their stay in Poland and the procedures for deportation, came into effect on 19 September 1991. This was updated by the new Aliens Act of 25 June 1997 coming into effect in December 1997 and fully replacing the former 1963 Aliens Act. The Penal Code was adopted in Poland in the middle of 1998. In Hungary the Act on Hungarian Citizenship and the Act on the Entry and Settlement of Foreigners in Hungary (Aliens Act) came into effect in 1993 and 1994, respectively. The Act on Refugees came into force in Hungary in 1998. In all of the countries, the new legislation was brought in line with the Geneva Convention Concerning Refugees (28 July 1951) and the New York Protocol Concerning Refugees (31 January 1967). The requirement to hold a visa even for a short visit was reintroduced for many developing countries which previously enjoyed an easy entry into the region and which were not ready to conclude readmission agreements. In such cases, foreigners are obliged to state the purpose, the duration of visit/stay, to present an invitation letter or to prove financial self-sustaining ability, etc. Border control has been intensified to help filter illegal border crossers and "overstayers", the criteria for awarding refugee status has been tightened, strict measures against undocumented migrants have been adopted, and large numbers of illegal immigrants were expelled or turned back. From 1 October 1991 till the end of the year, half a million illegal immigrants were expelled from Hungary, including 410,478 Romanians, 17,670 Poles, 12,459 from the NIS, 9,164 Bulgarians, 4,115 from the former Yugoslavia and 1,884 Chinese, and another half million in the first ten months of 1992 (Sopemi 1994). The number of deportations and expulsions continued in the period of 1993-1997: 2,700 in 1993, 15,600 in 1994, 17,600 in 1995, 14,000 in 1996 and approximately 12,000 in 1997 and 16,600 in 1998 of which Romanians constituted the larger and former Yugoslavs the smaller part. Nearly 10,000 migrants were expelled or turned back from Slovakia in 1996-97. In Poland 5,200 expulsions were registered in 1997 and 2,100 for the first half of 1998 comprising mainly Ukrainians, Romanians and Bulgarians (Sopemi 2000).

Trafficking has been also recognized as a phenomenon related to organized crime needing to be addressed by policy-makers in a more systematic manner. In response to the growth of trafficking, international organizations have developed policies and practical recommendations. The "*EU Joint Action on making it a criminal offence to participate in a criminal organization*" (EU 21/12/98) identifies various forms of trafficking including trafficking in human beings and urges the Member States to strengthen co-operation. The IOM, on the occasion of a Conference of Ministers (Prague, October 1997) drew up a list of 55 practical recommendations for measures and policies against irregular migration and trafficking.

Apart from government agencies, nongovernmental organizations (NGOs) can, and do, play an important role in combating trafficking such as the STV (Foundation Against Trafficking in Women) co-operating with the La Strada program in Poland, Czech Republic, Ukraine and Bulgaria. Targeted media campaigns have also proved to be efficient in the education of those people who are more likely to become victims of traffickers (IOM Project Report 1998). All organizations urge a continuous dialogue, exchange and dissemination of information, co-operation between states, raising more funds to improve the physical and technical facilities for migration control, and establishing information networks along the trafficking routes.

However, a lack of efficient enforcement in the CECs, often resulting from the lack of physical or human factors (i.e. lack of mechanized border control, underpaid, non-committed, often corrupt customs personnel) coupled with the failure of newly independent countries bordering the former USSR to introduce similar measures, have continued to contribute to the region's exposure to illegal migration stemming from the territory of the former Soviet Union.

### ***European Union membership***

It has been a general tendency within the European Union to try to reduce the number of applications, to avoid such situations whereby the asylum seeker submits his request for the status of a refugee in several countries, and to speed up the procedures to reduce the amount of time spent by those staying in the country without justified reasons. Increasingly, attempts are made to share the burden presented by asylum seekers with third countries involved in the control mechanism (EU 1/01/1900, 09809/99, section 4.4. on Overall entry control concept point 90 and section 4.6 on New refugee protection point 106) even if the asylum seeker would prefer having the decision made in the country where the application was submitted rather than in

a third, i.e. transit country. The Visegrad Region's obligation to harmonize its legislation with that of the EU and to defend its own national interests represent points of conflict. Therefore, looking at the advantages and the disadvantages of the Eastward Enlargement of the EU with regard to migration is worthwhile (based on Nagy 1996).

The accession of CECs to the EU provides the EU with an opportunity to pass a large share of the control processes related to the evaluation of submissions by asylum seekers to the new members. The practices of the past years, in relation to forced migrant waves from Romania and Yugoslavia, have shown that CECs have been regarded as safe third countries responsible for conducting the relevant procedures. Since no financial support is granted for member states to conduct these asylum seeking procedures, current EU members can pass this responsibility to the Visegrad countries without any additional capital investment or public administration development.

A more co-ordinated asylum policy within the EU could contribute to the development of a more efficient and legally better defined management of asylum issues in Central Eastern Europe. Another advantage lies in the fact that, as full members of the EU, the Visegrad countries would no longer function as a reservoir of rejected asylum seekers and as countries where refugees could be returned to, but instead, they, too, could utilize measures within the framework of co-operation on justice and home affairs. A further advantage for CECs is the right gained by accession to influence decisions on asylum policies rather than just bearing their consequences.

Apart from the advantages mentioned above, the Eastward Enlargement of the EU presents certain disadvantages for both sides. For the EU, it might cause some problems. Those, who could be returned from the EU to Central Eastern Europe as non-real asylum seekers before the accession, can, upon the Enlargement, go back to the same countries and exercise, for example, their right to seek employment. However, the number of such migrants is likely to be low. A more serious problem lies in the waves of refugees coming, for example, from or through the Ukraine to Poland, Slovakia or Hungary, which have to be considered a common problem within the EU after the accession.

As a member of the European Union, the Visegrad Region may itself become a target destination and will have to strengthen its new Eastern borders to ensure the safety of internal borders within the EU as well as to prepare for its new role as a final destination. It is likely that the present role of the Visegrad Region both as a final station on the transit route and as a target destination will be shifted further to the East, most probably to the Baltic States. This region is already very heavily affected by transit migration and with potential candidacy for EU membership in, probably, one of the early phases of the Eastward Enlargement.



## ***Implications – issues for consideration***

The rise in the number of transit and illegal migrants in the second half of the 1990s and repeated attempts of expelled migrants to reach the West, again illegally, have shown that tightened legislation has a deterring effect for a limited period of time only. This can be well illustrated by the case of the Czech Republic. Upon the introduction of the new law on asylum taking effect on 1 July 1993 in Germany, the number of illegal border crossings dropped substantially in the months of July and August 1993. However, this initial drop was followed by a rise of illegal migration back to the previous level by November and December the same year (IOM 1994e). In fact, *“the interaction of source and asylum (transit) country policies may also have the ironic consequence of turning economic migrants into genuine refugees”* (Desbarats 1992). Tightened legislation, instead of resolving the problem, may simply redirect asylum seekers to other countries where conditions are more favorable, as was seen in case of Slovakia (see Second phase in p. 3.2.). Therefore, the overlap between regular and irregular migrants has to be considered, but it should not result in an overall punitive, restrictive policy.

A proactive approach should prevail over a reactive one implying that the role of preventive measures has to be increased by various means including the following:

- 1 economic development programs and assistance provided by the West in the form of co-operation, exchange of information, technical expertise and financing specific, targeted projects and the procurement of related physical assets can help eliminate economic discrepancies and thus address one of the root causes of push and pull factors (Ghosh 1992);
- 2 international aid can improve market access and enhance structural adaptation (Molle 1996);
- 3 information about the realistic situation in the country of destination at embassies, at local offices (NGOs, civic organizations) in areas with a higher migration potential and through the media should be provided;
- 4 the return of migrants should be promoted in a comprehensive manner distinguishing between different types of migrants and specific programs targeted at the return of talents and the "brain drained" by establishing stable social, political, economic and moral conditions in the sending country;
- 5 local populations should be educated about the importance and benefits of cultural diversity;

6 integration of naturalized and regularized long-term immigrants should be promoted.

At the state level, regularization of illegal migrants has been achieved through bilateral agreements concluded by the Visegrad countries between themselves and other countries, e.g. agreement between the Federal Institute of Labor in Nuremberg (Germany) and the Ministry of Labor and Social Affairs of the Czech Republic on the mediation of employment opportunities in Germany for Czech citizens lasting less than three months in the course of one year; agreement on reciprocal employment between Poland and Czechoslovakia concluded on 16 June 1992; agreement on employment co-operation concluded in the course of 1990 between Poland and Germany; and similar agreements with narrower scope concluded between 1990 and 1993 also with Belgium, France and Switzerland; similar agreements between Slovakia and Czech Republic, Germany, Russia, Switzerland, Ukraine, etc. (UN 1996). Agreements on the management of clandestine migrants and on quotas for exchange of temporary labor contribute not only to a more efficient handling of migration streams, but they also allow distinguishing between different types of migrants (seasonal workers, cross-border workers, long-term employees, internal employees of transnational corporations). Consequently a more comprehensive policy can be developed in view of the individual needs. Such legalization, together with a more efficient surveillance of the establishment, operation and employment practices of businesses, the enforcement of sanctions, and other forms of legal recruitment especially of those with needed skills, ought to be conducted in view of the broader economic and sociopolitical framework.

The introduction of a general quota scheme similar to that in the West, which is based on economic, labor market needs (awarded by bonus points) and humanitarian grounds in harmony with the broader setting constituted by the political and social environment, may be worth consideration. However, with regard to the European Union accession, these efforts should be coordinated at a broader rather than a bilateral level. Moreover, prominent migration experts from the Visegrad Region argue that, although Western Europe has identified the need for a common immigration policy based on humanitarian and selective grounds rather than on restrictive, administrative measures, no overall strategy has been developed (Nyíri 1999). The focus of investigation concerning migration still remains on the identification of the volume and effects of migration stemming from the Eastward Enlargement and what help to provide to the new members to maintain the safety of external borders. Central European migration experts suggest that instead of simply adopting Western European practices in the name of harmonization,

Central Europe should take upon an active role in the negotiation and redevelopment of a new common European migration policy. In view of the multilateral nature inherent in transit migration, the general globalization processes taking place all over the world and the inevitable interdependence of world economics and politics, this claim seems to be a justified one serving the interest of all parties concerned.

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## **5.4. Conclusion**

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The demise of the socialist system, characterized by forced isolation, has released suppressed individual, ethnic and national aspirations and thus brought about an extensive human mobility in the 1990s in Central and Eastern Europe. Liberalized border and mobility control, the eruption of ethnic conflicts, wars or simply a natural desire for a better quality of life have motivated many to move beyond the borders of their own countries. The transitional status of the Visegrad Countries characterized by a fledgling legislative and enforcement system with regard to the management of international mobility soon made the Visegrad Region an attractive spot for both permanent and temporary stays of people from less developed parts of Eastern Europe as well as from Asia and Africa. Thus the Visegrad Region, traditionally an area of emigration, has, by the beginning of the 1990s, been transformed into an area of immigration.

Immigration flows, which peaked at the beginning of the 1990s, decreased in the middle of the 1990s partly as a natural drop after an initial saturation level and partly in response to tightened legislation. They again took an upward turn in the second half of the decade with a notable rise in illegal movements. Migrants crossing through the territory of Central Europe move, as a rule, for ethnic or economic reasons, or they flee from war. It has been suggested that a mix of reasons rather than one single reason, e.g. poverty coupled with political or ethnic oppression, is more likely to lead to an actual migratory move. A clear distinction between these major migrant groups has become increasingly more difficult to make as declared reasons may differ from the real ones. Irregularity represents an inherent feature of transit migration in this region. The extensive movement of people through this region to the West is often triggered by a lack of reliable information and is assisted by the formal networks of previous migrants, new ethnic communities, long-established Diaspora, or the informal networks of traffickers. Transit migrants, if at all, are employed primarily in the informal

economy contributing to the maintenance of the black market and hindering economic (structural) development. Increased immigration has led, on the one hand, to cultural diversity, but on the other, it has aggravated social tensions, xenophobic feelings, and the flourishing of trafficking business. Moreover, it has created in political tensions between the countries concerned, especially with regard to repatriation.

In response to this migration challenge, legislative and administrative measures have been taken, and Western Europe has been increasingly promoting the involvement of third, i.e. transit, countries in sharing the abundance of problems stemming from the flows of legal and illegal migrants, real asylum seekers and camouflaged economic migrants. In the future, however, in addition to the administrative measures, more emphasis should be placed on a proactive approach, preventive measures, and the development of a differentiated migration policy by type of migrant. This is also reinforced by growing evidence of the large number of migrants showing hesitance about their future plans and sometimes even a willingness to return home. It has also been suggested earlier that a common European immigration policy should be developed in the form of a joint effort, which assumes the equal participation of the would-be members of the European Union rather than an adaptive obligation by them in the name of legal harmonization.

All in all, the role of Mediterranean Europe in acting as a springboard, the last transit station to the target destinations in Western Europe, has shifted towards, and been shared with, the Visegrad Region.

However, according to the rules of the "waterfall effect" it can be expected that, with the development of this region and especially following their accession to the European Union, the Visegrad Countries will become target destinations themselves. This suggests that, while Central Europe, especially the most likely first wave candidates (i.e. Czech Republic, Hungary and Poland), have to prepare for their new role as target destinations, Slovakia as a candidate for the second wave of the Eastward Enlargement of the EU together with the neighboring Eastern European states, primarily the Baltic States (candidates for the second wave, too) and the Ukraine, already heavily involved in transit migration, have to prepare for their role as the last transit station before the Eastern borders of the European Union. In this respect Slovakia may be in the most vulnerable situation as there has already been a redirection of migrant flows from Hungary, and, with its established past in transit migration and its most favorable geographical location, it is likely to be heavily exposed to the continuation of transit migration.

Transit and clandestine migration lend themselves, by nature, to further research. It may be worth investigating the consequences of the extension of the waterfall effect further to the East once the Visegrad Region has become

a member of the European Union. Although this study primarily discussed transit migration in the Visegrad Region in terms of East-West migration, it has to be noted that reverse flows have emerged too. A detailed analysis of the reverse flows, e.g. Western technical experts moving from the West to one Eastern European country and on to another and the special flows of Chinese not only from China but also from Western Europe to benefit from the transition of the CECs, represent important phenomena indicating that transit migration in this region is not simply a matter of East-West migration mechanisms.

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## Tables

The figures presented below are indicative of the major trends not of the real volumes. Due to difficulties involved in measuring illegal movements figures may vary by different sources. For the sake of consistency data used are generally cited from OECD Sopemi publications with occasional references to IOM data where no OECD data were available. However, even when referring to the same source inconsistencies may occur. For example, according to OECD Sopemi 1998 there were 100 asylum seekers in 1994 and 400 in 1995 in Slovakia (page 161), according to OECD Sopemi 1999, however, there were 300 (3 times as many) of them in 1994 and 300 (25% less) in 1995 (page 201). The same inconsistency occurs in the numbers of illegal migrants caught at the border. According to OECD Sopemi 1998 there were 2,900 migrants caught illegally at borders (page 161), however, according to OECD Sopemi 1999 the same figure was 200 less, 2,700 for Slovakia.



*Table 5.1. Volume and nationality of those attempting an illegal border crossing in the Visegrad Group (1990-1997), thousands*

	Czech Republic		Slovakia		Hungary <sup>3</sup>		Poland <sup>1</sup>	
	Volume	Nationality	Volume	Nationality	Volume	Nationality	Volume	Nationality
1990					13,635	Romania		
1991					28,836	Former Yugoslavia Turkey Bulgaria	13,589	Romania Bulgaria Ukraine Russia
1992	10,291 <sup>2</sup>	Romania Bulgaria Vietnam Turkey Philippines	10,291 <sup>2</sup>	Romania Bulgaria Vietnam Turkey Philippines	22,365	Czech and Slovak Republics Former SU Albania Bangladesh India Sri Lanka Pakistan China	33,581	
1993	43,302	Former Yugoslavia Bulgaria Romania, Czech Republic Tunisia China Others	2,200		19,719	Nigeria Ghana States of the Arab League	18,298	
1994	20,500		1,900		6,025 <sup>4</sup>			
1995	19,200		2,700					
1996	23,700		3,300		10,000			
1997			2,800				10,500	Asia Romania & Balkans Former USSR

Sources: OECD, Sopemi Annual Report 1993; OECD, Sopemi Annual Report 1994, OECD, Sopemi 1999, IOM Transit Migration in Hungary, December 1994; IOM Transit Migration in Poland, April 1994

<sup>1</sup>IOM data for years 1991-1993

<sup>2</sup>January-June 1992 only, data apply for former Czech and Slovak Federal Republic thus Czech Republic and Slovakia are not separated

<sup>3</sup>IOM data for 1990-1994

<sup>4</sup>January-April 1994 only

*Table 5.2. Volume and nationality of registered refugees and asylum-seekers in the Visegrad Group (1988-1998), thousands*

	Czech Republic		Slovakia		Hungary <sup>3</sup>		Poland	
	Volume	Country of origin	Volume	Country of origin	Volume	Country of origin	Volume	Country of origin
1988					13,173	Romania		
1989					17,448	Romania		
1990					18,283	Romania Former USSR		
1991	711 <sup>2</sup>	Romania NIS	711 <sup>2</sup>	Romania NIS	54,693	Former Yugoslavia Romania		
1992					9,297	Former Yugo- slavia Romania		
1993	2,200	former Yugoslavia	100 <sup>1</sup>		5,400			
1994	1,200 <sup>1</sup>	former Yugoslavia	300 <sup>1</sup>		3,400	Romania Former Yugoslavia Former USSR		
1995	1,400 <sup>1</sup>	former Yugoslavia	300 <sup>1</sup>		5,900	Romania Former Yugoslavia Former USSR	cca. 1,000 <sup>1</sup>	
1996	2,200 <sup>1</sup>	former Yugoslavia	400 <sup>1</sup>		1,300	Romania Former Yugoslavia Former USSR		
1997	2,100 <sup>1</sup>	former Yugoslavia people of Czech origin in Kazakhstan	645 <sup>1</sup>		2,100 <sup>4</sup>	Former Yugoslavia Non- Europeans	3,500 <sup>1</sup>	Sri Lanka Afghanistan Armenia Pakistan
1998			100 <sup>4</sup>		5,000 <sup>4</sup>	Former Yugo- slavia non- Europeans		

Sources: OECD Sopemi Annual Report 1993; OECD Sopemi 1998; OECD Sopemi 1999

<sup>1</sup>asylum-seekers only

<sup>2</sup>accepted as refugees, 1991 figures apply for the Czech and Slovak Federal Republic thus no distinction has been made between the later emerged Czech Republic and Slovakia

<sup>3</sup>asylum seekers and refugees

<sup>4</sup>estimates

*Table 5.3. Demographic trends (population growth) in the Visegrad Region in the 1990s*

Population growth rate (%)	Czech Republic	Hungary	Poland	Slovakia
1993 est.	0.16	-0.07	0.35	0.51
1999 est.	-0.01	-0.2	0.05	0.04
<b>Trend</b>	<b>-0.17</b>	<b>-0.13</b>	<b>-0.30</b>	<b>-0.47</b>

Source: CIA Factbook 1993, 1996 and 1999 at <http://www.odci.gov/cia/publications/factbook/>

# 6

## WHAT IS THE IMPACT OF TRANSFORMATION PROCESSES ON EMIGRATION POTENTIAL IN TRANSITION ECONOMIES?<sup>1</sup>

### — CASE OF PRAGUE, THE CZECH REPUBLIC

OLLI KULTALAHTI, DUŠAN DRBOHLAV AND EVA JANSKÁ

This paper concentrates on migration pressure in the Czech Republic. It starts with defining migration pressure and discussion on factors creating migration pressure in transition countries. Short description and explanation of some historical as well as current patterns of international migration movements in the Czech Republic follows. Further, an overview of surveys on migration preferences and migration potential is presented in brief. The empirical part of the paper, which the other chapters are concentrated upon, is based on the data which has been collected by questionnaires in Prague ) in May through July 1996 (for more details, see chapter Research data and methodology).

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## 6.1. Defining migration pressure

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The term migration pressure refers to the ratio of migration-minded people and the barriers preventing them from moving. An excessive supply of migration-minded people relative to migration demand in immigration countries produces migration pressure (Straubhaar 1993; Schaeffer 1993). Migration pressure involves economic factors both at the micro or individual level and macro or aggregate level as well as other socio-economic aspects. The terms internal and external changes (see Schaeffer 1993) refer to the changes on the micro and macro levels. Internal changes include, among other things, completion of formal schooling or training and other important stages in life when aspirations and responsibilities and society's expectations of the individual change significantly (cf. factors on the micro level). The relative frequency of migration is highest at such important junctures. External changes affect, in part, the availability and attractiveness of migration opportunities. These changes may be political, economic, legal, environmental, social and technical in nature (cf. factors on the macro level) (Schaeffer 1993).

Migration pressure is related to migration potential and migration propensity. International migration potential is the potential of people willing to migrate from one country to another and depends on individual or micro factors and aggregate or macro factors (see above). The necessary condition for the existence of migration potential is individual willingness to move. This willingness depends on the migration utility function, i.e. the individual comparison of utility levels of the actual place of stay to every alternative place, for example another country. "Utility" contains a great variety of factors: economic factors (such as income, employment prospects, purchasing power and others) and non-economic factors (such as social acceptance, cultural behaviour and language, relative deprivation, i.e. the motivation to reach a relatively better position within the social ranking of a reference group, and family situation). Accordingly, utility received by migrating depends on the actual situation before migration and the costs incurred and the benefits achieved by migration in a new place. "Utility" determines in part propensity to migrate (Straubhaar 1993).

The term of migration utility brings the definitions of migration pressure and human capital theory close to each other. Human capital theory views migration as an investment; decision to move depends on the relationship of costs and benefits. Transferability of human capital from one country to another is essential. Transferable skills determine, to a great extent, costs and benefits of migration because they are important conditions for employment opportunities in a new country. Transferability means that one's skills meet

requirements of the labour market in another country. The definition of migration pressure is compatible with many other theoretical approaches. "Defining migration pressure in terms of demand for opportunities to move to another country is compatible with human capital theory which views migration as an investment. The investment analogy is particularly appealing in, but not limited to, international labour migration. The definition of migration pressure is also compatible with other theoretical approaches, including the view that migration is triggered not by individual choices and decisions, but occurs in response to structural changes" (Schaeffer 1993). Accordingly, the scope of the term migration pressure is wide. "It makes little sense to treat it only from an economic point of view" (Straubhaar 1993).

Schaeffer's (1993) and Straubhaar's (1993) definitions of migration pressure are close to each other. Both of them stress the importance of the supply of migration-minded people in the country of origin and the willingness of destination countries to accept immigrants. However Straubhaar emphasizes net migration pressure rather than differentiates emigration and immigration pressure, as Schaeffer does. These differences are only minor, and the definitions have much in common. They differ from the definitions of Bruni and Venturini (1991) who based their notion of migration pressure on excess labour supply but considered only emigration pressure (Straubhaar 1993).

In our paper, migration pressure is theoretically considered similar to those addressed by Schaeffer and Straubhaar. Empirically the paper concentrates on willingness of employees to emigrate. This philosophy emphasizes a supply-oriented approach to migration pressure. Emigration is considered a better alternative than trying to stay in unfavourable conditions in a home country.

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## **6.2. Factors creating migration pressure in transition countries**

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The collapse of Communist rule in the very end of the 1980s and the beginning of the 1990s triggered drastic changes in all Eastern and Central European transition countries. For example, Russia started more or less from scratch to create the institutions and structures needed in the market economy. Estonia tried, in many respects, to continue developing its legislation and institutions on the grounds it was forced to abandon in the Soviet annexation 1940. However, the development was characterized by a feature typical to all transition economies: the institutional lag. This institutional lag could be seen as still leaning on the socialist institutions on the one hand,

and restoring the old institutions from the pre-socialist era on the other. This type of development was more clearly seen in the Baltic countries, including Estonia, than in other transition countries (see Kultalahti, Karppi, Rantala 1997). Estonia, as well as Latvia and Lithuania, has applied for membership of the EU.

Czechoslovakia was rather late joining other Central/Eastern European countries in the democratic revolution at the late eighties (Blažek 1997). Radical economic transformation based on price liberalization, extensive privatization and opening-up of the economy was launched in 1991. This development is called shock therapy and is seen as one of the key factors leading to the split of Czechoslovakia into two states, the Czech Republic and the Slovak Republic, in January 1, 1993 (see Blažek 1994). The division of Czechoslovakia was a costly and painful process, and its consequences are still present (see Blažek 1994, Musil 1995). On the other hand, mainly Czechia and to some extent also Slovakia, go, despite many problems, through transformation processes relatively successfully. Czechia has oriented to West Europe (see Drbohlav-Sýkora 1997) and, consequently, has tried to harmonize the legal system with the EU (see Blažek 1997). The orientation of Slovakia has been different, not showing as stable orientation to the West. However, both Czechia and Slovakia have applied for membership of the EU<sup>2</sup>.

There are certain developmental trends in transition economies which tend to maintain willingness of people to emigrate to western countries. There are also certain barriers in the western countries preventing people from immigrating there. Recent high unemployment rates in the EU-countries and immigration policies of these countries can be mentioned as examples. At least the following factors (both 'push' and 'pull') might be related to willingness of people to emigrate from transition countries:

- 1) Despite some improvements regarding some of the Central and Eastern European countries (CEEC), there are still big differences in standard of living (including income levels) between transition and market economies.
- 2) Western market economies offer quick opportunities to earn money which has great purchase power back in home country. Such a tendency is often supported by existing of 'structural rigidities' (e.g. see Hönekopp 1997) when 'eastern' immigrants can easily 'offset' local western workers who are not available to fill vacant positions.

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<sup>2</sup> The countries joined the EU May 1, 2004.

- 3) The currently ongoing transition to a market economy involves the emergence of differentiation of socio-economic statuses of individuals, divergence in the modes of employment and new distributions of incomes (cf. Puur 1993). Thus, besides ('external') polarization between CEECs themselves<sup>3</sup>, the societies have been becoming more and more ('internally') clustered.
- 4) There are trends of westernization of educational systems. Enterprises in a market economy need workers with proper education and skills. This means that educational systems need to be harmonized with those in developed market economies, at least to a certain extent. Student, teacher and researcher exchange programs are being launched between developed market economies and transition economies. The EU has launched programs aimed at promoting educational and other cooperative activities. Phare, Tacis and ACE programs can be mentioned as examples. All these measures involve mobility of people between transition and market countries, strengthening readiness to temporary and more permanent emigration. (Unlike 'eastern' societies, western ones are able and willing to attach high value to top professionals/specialists).
- 5) Probably more than in many other regions, due to a 'history of isolation' people in CEEc tend to satisfy their desire for adventure, change and curiosity via international migration movements.

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### **6.3. Migration history of Czechia in brief**

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This Chapter includes a short description of the historical patterns of the international migration movements which were typical to the Czech society almost the last two centuries (for more detailed information, see e.g. Kořalka 1990; Kužera 1994; Stěhování 1995; The Cambridge 1995).

Czechia has experienced emigration and immigration. However, the last 150 years this experience has to a large extent been limited to emigration. More massive and significant immigration movements are a new phenomenon of the 1990s. Apparently, besides 'geography', two key determinants of international migration were the strongest: 1) reasons tied to a living standard, in a broader sense to the overall degree of socio-economic develop-

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<sup>3</sup> CEECs differ from each other as to how successful they are in terms of realization of their transition/transformation steps.



ment and 2) reasons springing from a political situation, respecting a political stability and democratic character of the regime, degree of civic freedoms and the like. However, very often these two determinants have been interwound, both of them have played an important role in decisions concerning migration.

According to some rough estimates, Czechia lost some 1.6 million of its population (measured by net migration, see Stěhování 1995) between 1850 and 1914. When evaluating the period of 1900-1913, one could probably put a number of emigrants as high as about half a million (see Stěhování 1995, Kučera 1994). Approximately half of the population went to other parts of the Habsburg Monarchy at that time, Vienna being the main destination (Kořalka 1990). The overwhelming majority of those who emigrated, left for the United States of America. At that time, political reasons as a factor triggering emigration from Czechia did not play an important role. During the second half of the 19<sup>th</sup> century the emigrants were mainly from the agricultural southern and south-western parts of Bohemia. Later, a relatively highly skilled labour force from modern urbanized and industrialized regions formed a greater and greater proportion of emigrants.

As far as the post First World War period is concerned, Czechia lost some 110,000 people between 1920 and 1939 (measured by net migration, Kučera 1994). The biggest loss was in 1920-1924 and represented some 60,000 people. The number of emigrants was 110,000, most of emigrants oriented to the USA, France and Germany. At the same time the number of immigrants was only 50,000. Since then, partly because of more restrictive migration policies of destination countries<sup>4</sup>, emigration gradually decreased. Socio-economic reasons for emigration dominated till the end of the 1930<sup>th</sup>. Just before the outbreak of the War, political reasons became important and since then they have been more and more essential in the Czech migration history. A very complicated mosaic of huge international migration movements which occurred in Europe before, during and immediately after the Second World War can also be seen in the migratory patterns of Czechia/Czechoslovakia. For example, in 1945-1947 some 2.8 million of Germans had to leave the Czech Republic, mainly its border zone areas (only some 180,000 stayed in 1947). On the other hand, it is estimated that about 100,000 emigrants returned from eastern as well as western parts of Europe to their mother lands just after the War. The political events (coup d'état) of February 1948 led to

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<sup>4</sup> In 1921 and 1924 the USA passed immigration laws which imposed the first permanent numerical limits on immigration, the national origins quota system was established (see e.g. Fix-Passel 1994).

the era of socialism/communism which, of course, also influenced international migration. Isolationism led in a macro perspective to a totally 'aberrant migratory behaviour'. A freedom of international migratory movements was heavily restrained. Thus, many people left immediately in the wake of political upheavals in 1948 and 1968. Others did so continuously during the whole era mostly using very rare and occasional opportunities to travel abroad. Many of these movements have to be considered illegal flows from the point of the ruling regime. Mainly in the 1970s and 1980s political reasons for emigration were also significantly interwound with economic and social factors<sup>5</sup>. There was a huge difference between the migration statistics released by the communist regime and actual migration flows. It can be estimated that due to international migration Czechia lost 375,000 to 450,000 people altogether from 1948 to 1990 (see Kučera 1994; Drbohlav 1994). Illegals represented the most important part of the emigrant community. Data for the 1980s clearly indicate that besides people from some districts close to or bordering on the former East-West border zone, the metropolitan and urban population was the most important driving force behind the emigration (Drbohlav 1994). Prague took the lead of this trend<sup>6</sup>. Germany was clearly the most attractive destination for Czech international migrants.

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## 6.4. Current migratory trends in Czechia

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The 'Velvet Revolution' in 1989 also brought about a revolution regarding international migration behaviour and patterns. The transitions processes of the country into a capitalistic model, which was seen as prosperous, pluralistic and democratic, also opened flood-gates of international migration. The Iron Curtain was lifted, the state actually observed universal human rights and embodied a freedom of movement in various forms in its legislation. A wide spectrum of individual personal strategies springing from structural

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<sup>5</sup> Some people could no longer bear the anti-democratic and totalitarian regimes, others were dissatisfied with their general standard of living. Very often the bureaucratic decision-making of authorities concerning housing, working, travelling or a total disillusionment in the political climate resulted in emigration (Drbohlav 1994).

<sup>6</sup> For example, as far as illegal emigration flows from all Czech regions in the 1980s are concerned, Prague had the highest intensity of emigration. The share of Prague represented 23 to 29 percent of all emigration in 1984-1988, whereas its share of the population of Czechia was about 11 percent.

conditions (in fact, ranging from micro/local to macro/continental levels) made many individual (migratory) choices possible creating new Czech migration palette<sup>7</sup>. However, it is difficult to analyze the present Czech migratory situation. Statistical systems are inaccurate and the number of illegal immigrants is large. As for (permanent) emigration, probably no really huge outflows from Czechia have occurred. This can be attributed to several factors: Czechs seem to be deeply rooted in their own country. Emotional ties to their property and place are relatively important. Usually, the Czech mentality is typically that of 'pragmatic-optimistic' sights and not that of solving problems 'directly and drastically' (see e.g. Drbohlav 1994). Despite many problems, the overall degree of socio-economic development and the living standard of Czechs have never fallen very deep after 1989<sup>8</sup>. Also, no threat of a considerable political instability can be expected. Accordingly, in international migration there have been no really strong push collective factors at all.

Given the unreliable official data, since 1990 Czechia has had a positive net international permanent migration (ranging between 600 and 12,000). Since figures on emigration are unreliable<sup>9</sup> the net migration is probably significantly overestimated. There may have been some migration loss but probably not very much. And it has likely been gradually decreasing (see e.g. Marešová-Drbohlav-Lhotská 1996). At the same time migration is changing from permanent to temporary, short-term moves.<sup>10</sup>

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<sup>7</sup> A degree of socio-economic development within Czechia and other countries in transition, processes of globalization, transnationalism, European integration etc. contribute to creating a 'common environment' within which in the whole region migration occurs. Nevertheless, people behave differently in relation to a) functional variables (such as mental and physique qualities, value system etc.), b) structural variables (e.g. educational level, income and the like) and c) geographical variables (in terms of a position in the space).

<sup>8</sup> Despite objective difficulties, the assessment is fairly stable over time. Between 1992 and 1998 a share of those who estimated that their living standard was good or very good oscillated between 50 percent and 65 percent (a representative sample, Institute of the Opinion Polls - IVVM, Prague). Even though 50 percent at the beginning of 1998 is the lowest figure during the whole period, it indicates that the impact of current objective problems upon the people has not been as intensive and painful as could be expected.

<sup>9</sup> It is believed that most of migrants leaving the Czech Republic do not register themselves as emigrants, i.e. they do not return their identity cards.

<sup>10</sup> For example, data on official temporary migration (mainly employees in projects, guest-workers having contracts, seasonal workers and cross-border commuters) to Germany,

For the time being the Czech Republic seems to be a country of immigration. At the end of 1997, 210,311 aliens had permanent permits (some 56,000 were based on a family reunion<sup>11</sup>) or long-term residence permits (mostly given for entrepreneurial or employment activity<sup>12</sup>) in Czechia. The number of migrants with economic reasons, mainly circular labour migrants (those with long-term permits), grew very rapidly between 1990 and 1996 (from 7,695 up to 153,000). This immigration is to a great extent based on a) globalization and integration processes (migration is part of internationalization of business activity), b) demands of the Czech labour market (caused by deficit in some branches of economy), c) current immobility of the Czech labour force (a 'frozen' settlement and internal migration structures as a consequence of legislative/administrative barriers, a collapse of a housing construction and non-existence of a free housing market).

Besides this official/registered immigrant community, one can estimate that probably some 100,000 to 150,000 illegal workers might work in the country<sup>13</sup>. Moreover, transit migrants via Czechia to western countries form a great part of international migration in the country. United Nations (UN ECE) estimated that this number was as high as 100,000-140,000 in 1993. While the share of legal immigrants of the total population of the Czech Republic represents some two percent, in fact, a share of all alien immigrants might be twice as high. Naturally, there are important regional disparities in the country. For example, the current number of foreigners in Prague (excluding tourists), both registered and unregistered, permanent and temporary, is estimated to be about 10 percent of the total population (Čermak-Drbohlav-Hampl-Kučera 1995). The high numbers of emigrants from Prague and immigrants in the city<sup>14</sup> justify the concept 'gateway city' (see e.g. Drbohlav-Sýkora 1997).

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the most important destination of Czechs, clearly indicates a decreasing trend of Czechs working in that country. According to the best estimates available, about 50,000 Czechs (including illegals) worked in Germany 1992, but in 1995 they were only about 25,000 (Horáková-Drbohlav 1998). At the present their number is probably even smaller. Germany imposed an important limitation on some of these programmes in 1996 and 1997.

<sup>11</sup> Slovaks and Poles are the most important ethnic group.

<sup>12</sup> Slovaks, Ukrainians, Vietnamese and Poles predominated over the other groups.

<sup>13</sup> In fact, estimates range from 50,000 to 300,000 depending on the evaluators and the time of evaluation (see Horáková-Drbohlav 1998).

<sup>14</sup> About 32 percent of those who have been granted a long-term residence permit and stayed in Czechia lived in Prague at the end of 1997.

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## 6.5. Migration preferences and migration potential in the Czech Republic and Prague

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Migration preferences are important in many respects. First of all, preferences indicate what qualities of a destination are considered attractive. This information gives possibilities to develop an area of origin in such a way as to make people stay in their home country. Also, given unreliable and scarce information about the current migration movements, the migration preferences form bases for proxies of more reliable data, that is, for a description of a real contemporary migration. Furthermore, preferences give information about potential migration trends in the future (albeit, even at the best, preferences are only rough proxies, see e.g. Kupiszewski 1995, Drbohlav 1997). Table 1 summarizes results of selected questionnaire surveys on emigration potential in Czechia.

According to the surveys 12 to 20 percent of Czech citizens would like to leave for another country and settle there<sup>15</sup> in the 1990s. It is interesting to see that recent (1997 and 1998) worsening socio-economic problems in the country have not increased the share of those who would like to emigrate. On the contrary, the share has been decreasing over time. (It fully corresponds to the Czech population's assessment of the living standard which is really far from being deeply pessimistic.) According to these surveys, the 'average' potential emigrant in Czechia is single, unemployed and well educated man under 40 years (the results are very similar to those obtained in other CEECs). Intention to migrate decreases with the increasing age. The most favourite destinations are relatively stable over time - every fifth respondent prefers to live in the USA, France and Germany come next. Regarding inhabitants of Prague, their emigration potential seems to be slightly higher than the average typical of the whole country. Great Britain and France (both 15 percent); followed by Australia, the USA, the Netherlands and Switzerland (each 10 percent) are the most attractive destinations for citizens of Prague. Comparing the emigration potential with the assessments of living standard<sup>16</sup>, it seems obvious that in Prague emigration is a way to improve living conditions rather than a strategy to survive. The overall structure of international migration is changing everywhere, not only in Czechia.

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<sup>15</sup> We have to keep in our minds that several aspects erode a comparability of the results. For example, questions and sampling methods may differ from a survey to another.

<sup>16</sup> Rather a positive assessments of the living standard is linked with those having the university education, entrepreneurs, young people below 19 and those who live in Prague.

Temporary moves and commuting become more and more popular. Many of Czechs are interested in possibilities to work in western countries, but temporary rather than permanently. Some survey results indicate that this interest seems to be decreasing. Along with the integrating Europe, one-way migration is more and more replaced with short-term exchange migration.<sup>17</sup> According to the Institute of the Opinion Polls (IVVM - September 1996), 37 percent of the respondents (a representative sample for the whole Czech Republic) would like to work abroad. In 1992 and 1995 the figures were 48 percent and 45 percent, respectively. These potential emigrants were mostly young people under 30 years, single men, well educated with a relatively good living standard. Main reasons for leaving the country were: higher salary (69 percent), new experience (11 percent), language skills (7 percent). On the other hand, three quarters of the respondents vote for the Czech Republic as the country where they prefer to live to any other possible destinations.

These results serve as a basis for formulating some relevant hypotheses. We use a logit specification to verify these hypotheses. It gives us a possibility to look at several variables at the same time and study the importance of each variable in a certain context. However, this setting is very simple and for a better understanding of the situation deeper and more thoroughful analyses are needed.

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## **6.6. Research data and methodology**

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The survey concentrated on employees in enterprises and other organizations which were selected randomly in Tallinn, St. Petersburg, Prague and Bratislava by using enterprise registers<sup>18</sup>. The organizations were divided into categories by ownership and size. The number of the selected enterprises and

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<sup>17</sup> The globalization and integration processes are also manifested in the following way: Another IVVM survey (conducted in June 1996) ascertained the intention of Czechs to work for foreign firms. Seven percent of the respondents in Czechia were employed (or had been employed in the past) with a foreign firm at the time of the survey. They were people with university degree (15 percent), businessmen, citizens of Prague (14 percent) and men rather than women. Potential emigrants have often similar social characteristics (see above). It might be assumed that if someone lost his position in a foreign firm or if he was not satisfied with the job, he would probably try to find a job abroad.

<sup>18</sup> The research is carried out by the project group: Olli Kultalahti, Ilari Karppi and Heikki Rantala, University of Tampere, Department of Regional Studies and Environmental Policy, Tampere, Finland. In this paper, we concentrate on migration pressure in Prague.

other organizations was proportionally related to the number of all organizations in each category. All major sectors were covered. The total number of the selected organizations in Prague was 30 and the number of randomly selected employees to be interviewed was 600 in Prague<sup>19</sup>. The survey was conducted between May and July 1996.

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## 6.7. Discussion of empirical results

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First, we give a short description on those who expressed their willingness to emigrate. This willingness was measured by the question “Do you intend to leave for a foreign country for more than one year?” The reply categories were 1. “Yes, I am arranging my departure”, 2. “Yes, at the moment I intend to leave but I have not undertaken specific steps”, 3. “Yes, but not now”, and 4. “No, I do not intend to leave the country”. Concerning the crucial issue - the probable future international migration - one percent of the respondents expressed a firm interest to leave for a foreign country for more than one year (reply category 1). Further, 13 percent of the respondents would like to leave now but so far they have not undertaken any specific steps, 22 percent would like to migrate but not now, whereas 64 percent do not intend to leave Czechia at all. The majority of respondents would not stay abroad for more than 3 years.

Emigration potential in Prague was further analyzed by using a logit specification. Table 6.2 informs us about the variables used in the logit specification. Table 6.3 displays the means of these explanatory variables in relation to willingness to emigrate (two migratory groups: non-emigrants and potential emigrants). Table 6.4 contains information regarding the SAS (Proc logistic) generated regression results and Table 6.5 brings odds ratios and other computations that are subsequently discussed.

The dependent variable (MOVE) is equal to one if the respondent has no intention to emigrate (reply category 4 in the above mentioned question), zero if he or she has a concrete plan or intention to emigrate (categories 1-3). Explanatory variables consist of personal and employer measures. Personal characteristics of the respondents include measures on demographic characteristics, education attainments, work history, foreign language ability and contacts to

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<sup>19</sup> The collection of the data in Prague was in practice carried out by ‘research subgroup’: Jiri Blazek, Dusan Drbohlav, Eva Jánská-Uhlirova, Charles University, Department of Social Geography and Regional Development, Prague, the Czech Republic.

foreign countries. The demographic characteristics measured are SEX, AGE, and marital status (MARSTAT). Education attainments include the level and field: a college or university degree (EDUC2) and the field of business, economics or commercial services (EDUFLD1). The employment history of the respondent is measured by a potential unemployment period during the last 12 months (EMPLSTAT) and whether the present job has started after 1991 (JOBAFT91). Ability to speak at least two foreign languages measures an aspect of the possibility to survive and succeed in a foreign country (FRGNLANG). And finally, connections to foreign countries are measured by two variables: were family members, relatives or acquaintances living abroad at the moment of interviews (ABRTIES) and has the respondent earlier studied or worked abroad (FRGNSTAY). The measures of the employer's characteristics include the ownership of the firm; joint venture or multi- or transnational corporation (FRGNOWN) and the field of the company; in import and export, finance and insurance or business management services (SERVFIRM).

The explanatory variables measure some essential aspects related to migration pressure, that is, to willingness of the respondent to emigrate and possibility to do it. The variables help to ascertain how the intention to emigrate is influenced, conditioned by selected social-economic and demographic factors. Some hypotheses based on 'general migratory experience' about emigration potential in Prague are formulated in the following.

It is well known that young people are readier to emigrate than older people. They are not as much tied to the present location than older ones, for social, occupational and other reasons connected with the present phase of living. They are in a better position to look for new and better living and working circumstances. Information about the role of sex in the readiness to emigrate is usually not as clear and depends on many other factors. Marital status has an important role in this respect. A married person has to consider the situation of the whole family.

Education is in a key position in many respects. It is related to information needed making a decision to emigrate; the educated have, in general, more information than the less educated. The educated have also more transferable skills needed in the labor markets of a foreign country. As for the transition economies, education plays even a more important role. Not only the level of education matters but also the field of education. Many skills relevant in the former socialist economies are not sufficient in the competitive labor markets of the market economies. In terms of possibility to emigrate from a transition country to a western market economy, skills related to information technology and in general to modern business activity are essential. (In the logit specification presented in this paper, a degree in the field of business, economics and commercial services has been taken as a measure



on education particularly needed in the market economies). Recent phases of employment status are indicators of the stability working conditions. If the respondent has recently been unemployed or laid off (that is, on a 'forced vacation'), the prospects of the future may not be very confiding. Work conditions changed dramatically after the collapse of communism. State-owned companies were privatized, many new small firms and joint ventures were established, the role of transnationals increased, etc. (see Drbohlav-Sýkora 1997). The year 1991 is a turning point. After that, markets rules played a totally different role in employment contracts and other work conditions.

As far as emigration is concerned, foreign language ability is crucial. It gives conditions for surviving and adapting in new circumstances. Rather many employees in CEECs can speak, with the exception of employees in Russia, at least one, and some even two foreign languages. In many cases the best known foreign language is Russian but also German and English are to some extent managed<sup>20</sup>. Former and present connections to foreign countries are important as well. Family members, relatives and acquaintances living abroad may have many kinds of influences. They give stimuli for decision making, they are able to help in the process of emigration and in settling down in new circumstances. Former personal experiences in and knowledge of foreign countries are important as well. They can compensate a lack of direct contacts in the West. Employers' characteristics give information about the role of the present work organization in creating condition for willingness to emigrate and, to a certain extent, for possibility to emigrate if wanted.

To summarize, the influence and, at the same time, 'direction of relationship' of some explanatory variables on willingness and possibility to emigrate are rather obvious. There is evidence in earlier research activities on the effect of age, marital status, education and foreign language ability. One can expect that the current CEECs' reality might follow these general patterns as well. The role of other explanatory variables may not be as obvious.

Table 6.3 presents the mean values of the explanatory variables and intention to move. We can examine some of the most relevant differences be-

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<sup>20</sup> According to an AISA opinion poll (a representative survey) which was carried out in Czechia in May and June 1996, 20 percent of the respondent sample assessed their knowledge of Russian as very good or rather good. The corresponding figures for German and English were 16 percent and 9 percent, respectively. Unlike in the case of Russian and German, the knowledge of English language is importantly linked with younger people: 30 percent of those aged 15 to 19 years indicated at least good knowledge of English.

tween the means. The category 'potential emigrants' refers to those respondents who had a concreted plan to emigrate or indicated an intention to emigrate. 'Non emigrants' are those who had no intention to emigrate. The results of the survey more or less confirmed the hypotheses formulated above. As compared to the non-emigrants, the following characteristics describe potential emigrants in Prague: they are younger, more of them are single, more educated, worked for their present employer a shorter time, have more contacts abroad (via family members, relatives or acquaintances abroad and through working or studying abroad) and better knowledge of foreign languages. Potential emigrants in Prague are 35 years old on the average, 37 percent of them have college or university degree and even two thirds of them have relatives or acquaintances living abroad.

Table 6.4 demonstrates the parameter estimates, significance levels of each explanatory variable, and measures of goodness of fit for the specifications of the general model<sup>21</sup>. Given the sample, a word of caution is necessary regarding the interpretation of the results. The sample consists of only employed people at the moment of interviews and questionnaire collections. The capital and the employees there do not represent the whole country. The SAS program reorders the values so that a positive significant coefficient implies that the variable contributes to increasing probability of emigration. A negative coefficient means that the variable decreases the probability of emigration.

There are seven variables which have significant coefficients in the model. Age and marital status (MARSTAT: being married) decrease, and college and university degree (EDUC2) and ability to speak foreign languages (FRGNLANG) increase the probability of emigration at a 99 percent level of confidence in the model. Sex (being male), relatives and acquaintances (ABRTIES), and former experiences abroad (FRGNSTAY) increase it at a 95 percent level. The results strengthen the earlier conclusions and again confirm the hypotheses. Based on these results one can sketch that Czech economy is in many senses close to that of a market economy; the probability of emigrating is increased by the variables closely related to competitive capabilities (transferable skills) of potential emigrants and demands for labor skills of western market economies.

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<sup>21</sup> The logit model specification used in this paper are justified particularly by the following criteria: first, the circumstances in CEE transition countries are new and so far rather little has been known about what is really going on there in terms of migration pressure; second, the logit model gives information about the relative importance of the explanatory variable.

Table 6.5 exhibits the odds ratios for Prague. Odds ratios provide an approximation of how much more (less) likely it is for the respondent to result in a decision (intention) to emigrate. For example, the odds ratio of approximately 1.9 on the variable EDUC2 indicated that a respondent with a college or university degree in Prague is almost twice as likely to express intention to emigrate than not to do it. An odds ratio of 0.517 for the variable MARSTAT in the specification suggests that an employee who is married is about one-half as likely to present intention to emigrate compared to no intention. The odds ratio shows that males are about 1.5 times as likely to emigrate compared to no intention to emigrate. The married are about one-half as likely to emigrate compared to no intention to emigrate. The following odds ratios are also worth mentioning:

- relatives or acquaintances abroad 1.7 times,
- with studies and work abroad 1.9,
- foreign language skills 1.9,
- employment organization in business services or export/import activities 2.0.

From methods described in Greene (1993) an average probability of intention to emigrate was computed for the sample, with 0.417 for Prague. It was also computed an increase in the average probability of intention to emigrate due to education, and relatives or acquaintances living abroad. These increases are quite interesting. The average increase in the probability due to education was 0.053. The relative increase in the probability to emigrate is about 13 percent. The role of family members, other relatives or acquaintances living abroad (ABRTIES) proves to be as important as that of education.

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## 6.8. Conclusion

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This paper concentrates on an important issue which has recently been very carefully discussed, monitored and studied mainly in western European countries. Of course, qualitative and quantitative aspects of the emigration potential in one of the CEE countries (the Czech Republic/Prague) do not describe real migration flows; attitudes and preferences will never be materialized exactly according to sketched scenarios. However, we believe that this kind research, has theoretical as well as practical relevance.

This paper is a study of factors creating migration pressure among employees in Prague, the capital of the Czech Republic (survey conducted in selected enterprises by using stratified sample in May and July 1996). Mi-

gration pressure refers to a difference between willingness to emigrate and possibility to emigrate. Importantly, the study of a few surveys confirmed that the overall emigration pressure is fairly stabilized over time. Also, it was proved that in comparison with other regions (usually measured via the average for the whole country) the emigration pressure is higher in Prague. Our study revealed that one percent of the respondents expressed a firm interest to leave for a foreign country for more than one year and they have already been arranging their departure. Further 13 percent would like to leave now but so far they have not undertaken any specific steps, 22 percent would like to migrate but not now, whereas 64 percent do not intend to leave Czechia at all. The results concerning the most attractive destination countries were also consistent with those of other surveys (e.g. countries like Germany, France, Austria, Switzerland, Canada, USA and Australia belong permanently to the most attractive destinations for population in CEEc).

The analysis fairly clearly indicates that the dramatic socio-economic changes influence particularly the probability of emigrating of people who are in a certain turning-point of their lives and who meet requirements needed for overcoming barriers to emigrate to another country. The turning-point was measured by age, marital status and employment history. Young and single people are the most willing to emigrate. Education gives transferable skills and tends to decrease barriers to emigrate. Further, the results concerning the Czech employees suggest that there are some pull factors in foreign labor markets which are based on competitive characteristics of the market economies. The variables suggesting this conclusion are education, foreign language ability and work in the field of business services and export/import. As for the importance of relatives and acquaintances living abroad, in Prague their relative importance is considerably smaller than e.g. in St. Petersburg, Tallinn and Bratislava (see Kultalahti 1998). However, even in Prague these social networks extending abroad strengthened the respondent's willingness to emigrate. Becoming more familiar with western life and labour markets strengthen probability of emigration from Prague/the Czech Republic.

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Many official reports on results of opinion polls of the IVVM, AISA and MEDIAN agencies were used.

*Table 6.1. Selected surveys on potential migration, Czech Republic, 1994-1998*

<i>Term of survey</i>	<i>Country of survey/origin</i>	<i>Number of surveyed respondents</i>	<i>Question on potential migration</i>	<i>Answers on questions on potential migration in percent</i>	<i>Structural characteristic of potential migrants in percent</i>	<i>Country of interest in percent</i>
1994 1)	Czechia  Prague	1,120 (over 14 years)  113	Would you like to live in another country than Czechia?	15 percent  18 percent	Rather men than women (18 percent versus 13 percent), under the age 20 (38 percent)	USA (21 percent), Germany and Switzerland (both 13 percent)  France, England (both 15 percent)
1995	Czechia	1,504	Do you intend to migrate because of work abroad?	32 percent never, 45 percent yes or maybe		
1996 2)		1,028 (over 15 years)		35 percent never, 37 percent yes or maybe		
1996 3)	Czechia	4,392 (over 14 years)	Do you intend to emigrate from your country of origin?	20 percent	Men represented by some 2/3	Austria, Germany were the most important destination countries
1998 4)	Czechia	510 (over 14 years)	Would you like to live in another country then Czechia?	12 percent		USA (21 percent), France (16 percent), Australia or New Zealand (13 percent)

**Notes:**

1) AISA survey.

2) IVVM survey.

3) H.Fassmann (Hintermann) survey - The results also concern Slovakia, Poland and Hungary.

4) Median survey.

*Table 6.2. Variable descriptions*

## **Dependent Variable**

MOVE: 1 if the person has no intention to emigrate.  
0 person has intention or practical plans to emigrate.

## **Independent variables**

### *Personal characteristics*

SEX: 1 if male. 0 otherwise.  
 AGE: Years.  
 MARSTAT: 1 if married. 0 otherwise.  
 EDUC2: 1 if the respondent has a college or university degree. 0 otherwise.  
 EDUFLD1: 1 if the respondent has a degree in the field of business, economics or commercial services. 0 otherwise.  
 EMPLSTAT: 1 if the respondent has had an unemployment period during the last 12 months. 0 otherwise.  
 JOBAFT91: 1 if the respondent's job started after 1991. 0 otherwise.  
 ABRTIES: 1 if the respondent has family members, relatives or acquaintances abroad. 0 otherwise.  
 FRGNSTAY: 1 if the respondent has been working or studying abroad. 0 otherwise.  
 FRGNLANG: 1 if the respondent speaks at least two foreign languages. 0 otherwise.

### *Employer's characteristics*

FRGNOWN: 1 if the respondent works in joint venture or multi- or transnational corporation. 0 otherwise.  
 SERVFIRM: 1 if the respondent's employer is in the field of export/import, finance and insurance, marketing and advertisement or business management services. 0 otherwise.



*Table 6.3. Mean values for variables and intention to emigrate (Prague)*

	All N=605	Non- Emigrants (0.650 of N)	Potential Emigrants (0.350 of N)
SEX	0.429	0.435	0.438
AGE	39.68	42.20	35.02
MARSTAT	0.559	0.641	0.406
EDUC2	0.294	0.257	0.363
EDUFLD1	0.246	0.226	0.263
EMPLSTAT	0.053	0.038	0.080
JOBFT91	0.549	0.476	0.684
ABRTIES	0.395	0.341	0.495
FRGNSTAY	0.099	0.059	0.175
FRGNLANG	0.610	0.534	0.750
<i>Employer's Characteristics</i>			
FRGNOWN	0.203	0.186	0.236
SERVFIRM	0.112	0.076	0.179

Table 6.4. Logit models (Prague)

Variable	Parameter Estimate
Constant	0.0036

*Personal characteristics*

SEX	0.427**
AGE	-0.041***
MARSTAT	-0.661***
EDUC2	0.620***
EDUFLD1	0.296
EMPLSTAT	0.262
JOBAFT91	0.287
ABRTIES	0.499**
FRGNSTAY	0.654**
FRGNLANG	0.627***

*Employer's characteristics*

FRGNOWN	-0.378
SERVFIRM	0.715**

\*\*\*Significant at the 1 percent level,

\*\*significant at the 5 percent level,

\*significant at the 10 percent level

Number of observations	605
LR-test	119.21***

*Table 6.5. Odds ratios, average probability of intention to emigrate, average probability of intention to emigrate due to education, unemployment and relatives and acquaintances living abroad*

Variable	Odds Ratios
SEX	1.532
AGE	0.960
MARSTAT	0.517
EDUC2	1.860
EDUFLD1	1.345
EMPLSTAT	1.299
JOBAFT91	1.332
ABRTIES	1.647
FRGNSTAY	1.923
FRGNLANG	1.873

*Employer's Characteristics*

FRGNOWN	0.685
SERVFIRM	2.044

Average Probability of Intention to Emigrate (estimate based on the parameter estimates using mean values of the significant explanatory variables and computational methods as in Greene, 1993) 0.417.

Increase in average probability of Intention to Emigrate due to

- education (estimate based on a value for education=0 (no college/university degree), all other significant variables at their mean values.) 0.053
- relatives etc. abroad (estimate based on a value for ties abroad=0 (no family members, relatives or acquaintances living abroad), all other significant variables at their mean values.) 0.058

## TRANSBOUNDARY EMIGRATION: THE SLOVAK REALITY VERSUS BRATISLAVA'S POTENTIAL<sup>\*</sup>

VLADIMÍR SZÉKELY

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### 7.1. Introduction

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Attentive analysts must have noted the amount of media interest in the migration issue and the increasing space dedicated to the theme. Terms like: the balance between immigrants and emigrants as a part of overall growth or reduction of population, economic migrants, saturated labour market and unemployment and its growth, political migrants, refugees in countries at war, integration of immigrants, family reunification arrangements, illegal migration, xenophobia caused by the domestic problems ensuing from high unemployment and growing criminality incidence, growing popularity of radical

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\* A questionnaire survey on potential transboundary emigration from Bratislava was realised as a part of the project "Social Changes in Eastern and Central Europe - Migration Pressures and Social Integration" financed by the Academy of Finland. My cordial thanks go to Professor Olli Kultalahti, Dr. Ilari Karppi, and Dr. Heikki Rantala from the Department of Regional Studies, University of Tampere, Finland, who initiated and created the project and provided me with some of the processed results of the questionnaire survey for further statistical analysis and interpretation. The part dealing with emigration from Slovakia was worked out and finally modified within project No. 2/3083/23 funded by the Slovak Grant Agency VEGA.

political parties with their simplified solutions, ethnic, religious and racial unrest, restrictive migration policies of advanced countries, are only some of the many used in the context of widely conceived subject of transboundary migration. The highly topical problems of the contemporary world are of interest to a wide spectrum of scientists and politicians. Numerous authors arrived at the conclusion that the problem of transboundary migration, its causes and consequences are treated daily by the mass media in a purpose-oriented way. The form of its presentation, either positive or negative, affects not only public opinion and behaviour of potential or real migrants but also the attitudes of the domestic population in respect to foreigners (see, for instance, Andersson 1996).

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## **7.2. The aim of the study and the methodology used**

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The study of migration involves both immigration and emigration components. This contribution is limited (with the exception of some explanatory notes and statistical data on migration to Slovakia, which illustrate the overall situation) to the study of transboundary emigration. The fundamental aim of the contribution is the comparison of the real transboundary emigration from Slovakia and a potential transboundary emigration from the region of Bratislava using:

1. Analysis of the accessible scientific studies and statistical sources treating the real transboundary emigration from Slovakia in order to present a short summary of the history of emigration from Slovakia. The secondary aim of this part of the study is to point at the limited statement value of the official statistics related to emigration. The causes lie either in the use of auxiliary, secondary statistical sources or in the application of emigrants defined in different ways and consequently the different methodology used for seeking them out.
2. Interpretation of the results reached in questionnaire survey targeted at the identification of potential transboundary emigration of the employees of the firms in Bratislava (the same questionnaire survey was applied in the framework of a more extensive project under the title "Social changes in Eastern and Central Europe - Migration pressures and social integration" not only in Bratislava but also in Prague, Tallinn, and St. Petersburg). The creation of the questionnaire, quota selection of respondents, primary statistical processing and funding of the project was provided by the Finnish group, the or-

ganisation of the field research in the territory of Bratislava and collection of the completed questionnaires was carried out by the Slovak group.

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### **7.3. Transboundary emigration from Slovakia – Reality**

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A decision concerning the change of the place of living (not only by transboundary emigration) is one of those that most affects the majority of people. The people realise the positive and negative factors of their potential decision and compare them. An important role in the process of decision-making is also played by the environment the potential migrant is moving in. Similar decision is easily realisable in a society where the frequent change of place of living (for instance in the USA) is an inseparable part of its way of life, but not so in societies whose population is traditionally bound to the native village, town, region or country. Their emigration is mostly forced by the need to approach their existential problems and it is negatively perceived by their contemporaries and the historians.

#### **The beginnings of emigration from the territory of Slovakia – the feudal and capitalist periods**

The Slovak society, too, is traumatised by the memories of transboundary emigration. There were numerous reasons for emigration. In the feudal period when most of the land belonged to a few landowners, possession of land was considered the supreme fortune by small farmers. The land was inherited and the area owned by a farmer was constantly becoming smaller because it was divided between heirs. In spite of increasing difficulties connected with growing sufficiently crops, the “fathers’ land” was seldom abandoned without good reason.

The primary manifestations of the Slovak emigration (due to the absence of reliable data – see for instance Svetoň 1958; Hanzlík 1961; 1967) are from the beginning of the 18<sup>th</sup> century (Hanzlík 1967). Emigration was provoked by years of poor harvest in the relatively densely populated north of Slovakia. Emigrants mostly moved to the south and settled on the fertile land of contemporary Hungary and Austria (the former Austro-Hungarian Empire, of which Slovakia was a part). The lag behind the industrialisation was increasingly evident over the years and absence of work opportunities, above all in industry and led to emigration, mainly to the USA. Transboundary emigration reached its peak by the beginning of the 20<sup>th</sup> century. Its cause lay in the coincidence of industrial standstill of Old Hungary and the indus-

trial development in the USA (Svetoň 1958). The fact that above all the inhabitants of mountainous north of Slovakia opted for transboundary emigration by the end of the 19<sup>th</sup> and the beginning of the 20<sup>th</sup> centuries is symptomatic. The total absence of industry also due to the seclusion of the area from the transport routes acted jointly with unfavourable geomorphologic-soil-climatic conditions, severely limiting agricultural activities. Industrially developed Bratislava and its hinterland were affected least regarding emigration. Svetoň (1958) made several estimates on the numbers of transboundary emigrants. Based on accessible secondary statistical data (number of emigration passports issued) he assumed that in the years 1901–1910 Slovakia lost about 200,000 persons by emigration, of whom 80–90 percent stayed in America.

The following wave of emigration from Slovakia occurred after the establishment of the Czecho-Slovak state. In spite of adverse natural conditions the Slovak economy was to be oriented to agricultural production. This was the reason why the process, accompanied by the elimination of industry, led to increased unemployment. The relative over-population in agriculture and low wages in the branch also caused problems. These were the causes of massive emigration abroad to Austria, Hungary, Yugoslavia and France. Hanzlík (1967) states that 211,990 persons obtained emigration passports in the years 1920–1937. The real number of emigrants must have been lower, of course, because the number of overseas passengers is almost 24,000 lower than the number of persons possessing the documents necessary for such a journey (Hanzlík 1967). Unfortunately it is impossible to find out the number of returnees and the time they spent abroad. We presume that a large share of emigration from Slovakia abroad represented (using current terminology) a “temporary migration in pursuit of work”. Short-term migrations abroad (including Czechia and Moravia) were popular, especially in time of seasonal jobs in agriculture.

## **Transboundary emigration during the Socialist era**

The trauma of forced economic transboundary emigration was to be solved by transformation of the Czecho-Slovak economy after 1948. The process of urbanisation and industrialisation concentrated around regional points of growth immediately gave rise to migration within the boundaries of the state. The migration process was dominated by the movement out of the rural area into the towns and from less developed Slovakia to Czechia and Moravia (the contemporary Czech Republic). Potential voluntary emigration abroad was hindered by the proper nature of the social order which was trying to isolate the popula-

tion of Czecho-Slovakia from the economically advanced Western European countries at any cost. The widening economic gap between the two types of social systems during the Cold War and the longing for a just and free life acted as a catalyst of illegal political and economic emigration from Czecho-Slovakia abroad by the end of the 1960's and the beginning of the 1970's. Putting their lives at risk, hundreds of Slovaks abandoned their land to end up in refugee camps in Austria and West Germany.

There are no direct data on illegal emigration from Slovakia. The statistical Yearbook of Slovakia (1991) quotes numbers of persons persecuted in the years 1962-1989 for what was labelled "illegal leaving" of the Republic. According to the source, at least 35,938 persons abandoned Slovakia illegally (Czecho-Slovakia?). Of these, up to 13,659 (38%) were prosecuted in the years 1970-1972 i.e. in the years of the "normalization process" after the Prague Spring of 1969.

Srb (1990) estimated the number of illegal emigrants from Czecho-Slovakia. According to his calculations in the years 1948-1990 about 440,000 persons abandoned the territory of Czecho-Slovakia (there is no way to ascertain how many of them were Slovaks). The number differs from the official statistics on the emigration (i.e. officially issued by the Czecho-Slovak authorities) usually quoting an annual average of 1,000-2,000 persons. The years 1967-1990 represent an exception with an average of 7,700 persons annually of population decrease. The same data for the 1980s are also about 1,000-2,000 persons yearly.

Jurčová (1986) quotes that population increase or reduction through transboundary migration according to the official statistics was low and negligible in the 1980s. Transboundary emigration meant for the Slovak Republic an average of 163 persons a year and the migration increase was recorded only in 1989, amounting to 77 persons. On the other side, Jurčová estimated the levels of illegal transboundary emigration in the 1980s at 1,200-1,500 persons yearly, which corresponds to the numbers of persons prosecuted for illegal emigrating.

Emigration of this nature was more or less provoked not only by the desire to address the existential problems of an individual (for example, social discrimination and artificial de-qualification), but also by voluntary realisation of the wish to obtain material benefits. This is one of the reasons why the socialist era is perceived as one of the most complex in the recent history of Slovakia and the existing phenomenon of transboundary emigration is a proof of its justified criticism.



## **Contemporary transboundary emigration**

Transboundary emigration may assume various forms depending on the decisions of the particular migrants. The short-term migration of the Slovaks was motivated by the search for new jobs. Provided there are favourable conditions for a long-term migration, a permanent change of place of residence is considered. The length of sojourn abroad is accepted by the scientists as a decisive criterion in distinguishing various forms of migration.

However, the criterion applied by the scientists runs into numerous problems caused by the existing statistics on migration as a result of the statistical survey and definition of migrants. Practically it is only the person who deregisters from his permanent place of living in Slovakia who is considered as an transboundary emigrant. This means that the majority of people who leave Slovakia for short or long periods are not recorded and their number quoted in the statistics represents more or less an imperfect estimation. A somewhat better situation is seen in the data on immigrants as they reflect the number of foreigners who register their permanent place of living in Slovakia, thus obtaining automatic access to a work permit (which is why the yearly balance of foreign migrations has been active now for some years in Slovakia). However, the scope of illegal migration lowers the statement ability of the official data on numbers of foreigners in the territory of Slovakia. More accurate data reflecting transboundary mobility are practically non-existent, and their absence is at least partially compensated by isolated statistical inquiries by scientific or commercial bodies. The variability of the results obtained, however, confirms a generally accepted thesis that the lack of good quality statistics on migration is a serious problem for their correct study (Lutz 1993).

### ***Permanent emigration***

In spite of the problems mentioned we are presenting official data on contemporary permanent emigration from Slovakia, as published by the Statistical Yearbook of the Slovak Republic for the years 1991–1997. Jurčová (1996) who also studied the balance of migration from Slovakia abroad used the above mentioned data and moreover, distinguished the migration mobility in the former Czecho-Slovakia and that in Slovakia and other countries.

## **Transboundary emigration (the Czech Republic not included)**

The new political order of Europe in 1989 also gave rise to conditions favouring the pull and push factors of transboundary emigration. The same year, 1989, 575 persons emigrated i.e. ended their permanent stay in Slovakia. The first year after “velvet revolution” brought about an increase of emigrants. In 1990 some 879 persons emigrated from Slovakia. Then the trend decreased until 1993 (527 persons in 1991, 128 persons in 1992 and 79 persons in 1993). The last number is quoted by Jurčová (1996) in her study. Its importance is probably limited, as the 1994 Statistical Yearbook of Slovakia quotes the total number of emigrants from the whole of Czecho-Slovakia at 7,355 (!). Jurčová moreover notes that the number of emigrants may be biased in consequence of the cancellation of the emigrants’ passports is more than justified.

In spite of the lack of exact information on the final destination countries of the Slovak emigrants, we believe that the great majority of them headed to and settled down in neighbouring Austria. This assertion leans on the statistical data quoted by Fassmann and Kollár in their study (1996). According to the authors drawing information from the censuses, in 1981 only 186 Slovaks lived in Austria, while their number grew to 1,105 in 1991 (a 6-fold increase). Besides them the Austrian statistics recorded in a 1991 census another 1,015 persons with Austrian citizenship who quoted Slovak as their first and daily used language. These are probably the Slovak emigrants who took Austrian citizenship.

Even though the Czech Republic also became a foreign country for the citizens of the Slovak Republic in 1994, we do not observe any distinct rise in transboundary emigrants. Out of the total of 154 persons who left the Slovak Republic for good, up to 95 went to the Czech Republic in 1994. Only 59 went to other countries while 15 of them settled down in Germany, 10 in Austria, 11 in Canada, and 3 in Australia. The number of emigrants rises slightly in the following two years, while the Czech Republic remained their main destination. In 1995, 213 persons emigrated from Slovakia (108 went to the Czech Republic). In 1996, the share of the Czech Republic diminished. Out of the total of 222 emigrants only 89 settled down in the Czech Republic. The former inhabitants of Slovakia headed for Germany (31), Austria (17), Italy (11), Hungary (10) and to USA (8), Australia (6) or to Ukraine (6). The numbers quoted are extremely small. We suppose that it is not possible to carry out a reliable scientific analysis of emigration from Slovakia based on official statistical sources.

## ***Permanent migration between the Slovak Republic and the Czech Republic***

Permanent migration between the Slovak Republic and Czech Republic during the period of a common state, particularly immediately after the Second World War, was considerable. From the beginning of the statistical records until the end of 1993 the movement in both directions accounted for some 1,133,000 persons. A typical feature of this movement was a yearly (except for 1954) loss of population in Slovakia in favour of the Czech Republic (Jurčová, 1996), though this dropped to a minimum after the partition of the state.

During the period from 1980 to 1993 about 132,000 inhabitants moved from Slovakia to Czechia. The number of immigrants coming from Czechia was lower by about one third, i.e. 88,400 persons. Through this type of migration the Slovak Republic lost 43,900 inhabitants. The greatest loss – 4,078 persons – occurred in Slovakia in 1986. Since then the migration gain of the Czech Republic consistently dropped to reach only 2,745 persons in 1989 following the total migration turnover of 14,500 inhabitants, the lowest number in the 1980's. The Slovak Republic lost a mean 3,500 inhabitants yearly during the 1980s.

Jurčová (1996) describes the exchange of migrants in the 1990s as follows: "In the years 1990-1991 the diminishing trend in the gains of the Czech Republic also continued during the high migrations turnover of 17,700 and 15,600 persons. The anticipated partition of the state caused another increase of migration turnover to 18,500 persons in 1992. The movement was reciprocal; in point of fact it was "home-coming". At the same time the highest loss of inhabitants of the SR in favour of the CzR since 1968, amounting to 4,917 persons, was recorded. Following the partition of the CSFR the migration turnover dropped to 14,500 persons in 1993. It is interesting that the migration flow out of the Czech Republic was even higher than in 1992. Meanwhile the gains of the Czech Republic were only 44 persons, the lowest in the history of records of mutual migration. In the 1990s (1990-1993) Slovakia lost 2,100 persons yearly, on the average, through this type of migration, of these 65 percent were men."

After the partition of the common state in 1993 the different methodology used in records of foreign migrants rendered the published data unreliable. According to Statistical Yearbook of the Slovak Republic 1995-1997 the Czech Republic in 1994 lost 3,049 inhabitants to the Slovak Republic. This difference diminished in the course of the following two years, the loss in 1995 representing only 1,389 and in 1996 as few as 904 persons. It is practi-

cally impossible to comment on the quoted numbers which, contrary to expectations, suggest greater attractiveness of the Slovak Republic for the inhabitants of the neighbouring Czech Republic.

The contemporary, relatively stable situation, leads us to the assumption that even though there will always be permanent migration between the newly established republics, it will in no case be as intensive as during the period of preparation for the partition of the state. It is to be expected that the existence of the borders along with a higher unemployment rate in Slovakia and still persisting differences in socio-economic development would encourage short-time migration motivated by employment from the Slovak Republic to the Czech Republic. But the movement may be limited and affected decisively by the more restrictive policy of the Czech Republic in granting work permits for citizens of the SR. The number of about 80,000 Slovaks working in Czechia in 1998 and the problems with increasing of the total number and rate of unemployment justified such a prediction.

### ***Short-term emigration in pursuit of work***

The traditional emigration in pursuit of work to economically advanced countries, typical for the 1960s and 1970s, was provoked by the demand for labour force (Fassmann & Kollár 1996; King 1996). Immigration states regulated the influx of labour force by international agreements concerning the number and qualification levels of the labour force recruited. Both the sending and the receiving countries profited from such controlled migration flows. The sending countries lowered their unemployment rate while the emigrants also supported the dependent family members who remained at home. The receiving states filled the vacant jobs unattractive to natives.

The situation around the millennium, especially as far as the Slovak-Austrian border was concerned, is quite different. The continued demand for labour force on the part of Austria, which could not be satisfied by Czecho-Slovakia in the days of the “iron curtain” was saturated by an extensive supply of labour force from economically weaker countries using all accessible legal, as well as illegal means to enter the Austrian labour market. As the number of work permits was limited, the effort of the work immigrants who came to Austria in tourist status is to find at least a short-term employment there and improve their economic situation.

Lipshitz (1997) points to one substantial change which accompanies the development of transboundary work migration. In the 1980s the demand for workers in economically developed countries experienced a distinct shift from skilled labour to educated and highly qualified people. This general

trend was also reflected by the work migration from Slovakia to Austria and can be illustrated by two immigration patterns: legal immigration of young, highly qualified people and illegal immigration of mostly unskilled workers. Lipshitz also points to the negative features of work migration for the sending states ensuing from strictly selected migration. He assumes that the investments some states put into education and vocational training in order to educate skilled labour, are being lost. These investments are lost through the effort of young specialists to work in rich countries solving those countries' shortage of highly skilled labour. The principal negative phenomenon according to Lipshitz is the fact that such international migration leads to a further widening of the economic disparity between the countries.

Nevertheless, work migration also brings assets for the economies of underdeveloped countries. Technology transfer, work organisation or gained capital are some of these. Fassmann and Kollár (1996) made an attempt to establish the scope and structure of emigration from Slovakia to Austria and its influence upon the regional labour markets. The authors assert that not only the number of Slovaks permanently living in Austria but also their share in the Austrian labour market increased. In 1991 8,838 Czech and Slovak workers were registered in Austria. The number of Czechs and Slovaks in Austria in 1994 increased to 10,860, which represents almost four percent of the total number of Austria's foreign workers. Despite the impossibility to assess in the exact number of Slovaks out of the 10,860 registered Czechs and Slovaks, the authors believe that they represented a half of it. These means that in 1994 there should have been approximately 5,000 Slovaks active in the Austrian labour market. The authors claim that the trend of official employment of the Czechs and Slovaks has by now reached a standstill.

In 1991 the number of workers commuting to Austria daily, or at longer intervals amounted to only 1,520 out of the total number of 8,838 registered Czechs and Slovaks (according to official statistical sources). "Only" was used here because considering the theoretical assumptions (closeness of Bratislava to Vienna, both being high concentrations of population, and existing disparity between the Austrian and Slovak currencies, which is evident in the level of wages) and overcrowded border crossings on certain days or hours of the day, it is evident that the number has been underestimated. This also was the reason why Fassmann and Kollár decided to carry out field research in October 1994 (observation connected with counting and selected questionnaire survey with 912 respondents on the boundary crossings) with the aim of ascertaining the "real" scope and structure of Slovak work migration to Austria. Some selected results of their work summarised in a study (Fassmann & Kollár 1996) follow:

- the real estimation of the number of Slovak citizens leaving in pursuit of work in Austria is about 3,250 persons
- in the total number of declared work migrants, men, age category under 40, married (80%), prevail
- the level of qualifications of the work migrants is very high (26 percent of them are university graduates)
- almost 61 percent of respondents speak perfect German or communicate without problems
- the differences between the last job in Slovakia and the present job in Austria are surprisingly small: women are working as caring companions or nurses, men are working mainly in production, commerce and agriculture
- the relatively short distance of Bratislava from Vienna supports the birth of information networks and allows to the job-seekers to find a job corresponding to their qualifications in Vienna. In the case of work migration from Slovakia to Austria “the de-qualification tax” generally does not assume large dimensions
- the declared monthly mean income was 15,550 ATS for men and 10,000 ATS for women, which represented a 7-fold mean monthly income in Slovakia.

In the context of the reported results of the field research it is necessary to take into account that work migration to Austria represents only one highly specific segment of the total work migration from Slovakia. Traditionally large crowds of less qualified men leave Slovakia for Ostrava’s region in the Czech Republic. The jobs in coal mining and metallurgical industries are often the only solution to the regional unemployment and absence of jobs (Kysuce region in Slovakia). But the criterion for obtaining a job here is not so much qualification as good references on work discipline and a clean criminal record.

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## **7.4. Transboundary emigration from Bratislava – Potential**

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### **Questionnaire survey as a form of acquisition of data relevant for potential transboundary emigration from Bratislava**

The opening of the frontiers and the opening up of Slovakia and its economy to the influx of foreign capital which concentrates mainly in the territory of Bratislava also bringing along an entirely different way of life has distinctly modified the traditional attitudes and hierarchies of its inhabitants. Traditional values like family and child care and caring for parents or relatives are substituted especially by young generation by values like professional career and success, often accompanied by the glorification of money. The altruistic, self-sacrificing way of life is under heavy pressure from the media promoting individualism and consumption based on quick and easily obtained money. This propaganda did not manifest itself only in a dramatic fall in natural population growth in Slovakia, but also in the desire among young people to leave Slovakia for at least a short time, to earn money, to learn foreign languages, to obtain experience in dynamically developing branches and after the return home, to obtain a job in some branch plant of a foreign company operating in Slovakia. This was the atmosphere in which the questionnaire survey on potential transboundary emigration of the workers in Bratislava's companies was carried out.

The study paid attention only to those parts of an extensive questionnaire which were relevant to the subject, i.e. potential transboundary emigration.

The respondents' task was to express their attitude to 22 *a priori* selected factors of a different nature supposed to influence either positively or negatively their willingness to emigrate from Slovakia. We were trying to find out in what way the factors mentioned affect potential transboundary emigration. The respondents could use a 5 point scale representing a very positive, positive, neutral, negative, and very negative influence. The aim of the research was to identify:

1. the number of factors, which prevailingly positively, prevailingly negatively or prevailingly neutrally affect a potential, at least 6 months' stay outside Slovakia (prevailing means that the absolute majority of respondents perceived it in such a way);

2. predisposing concrete factors from the point of view of trans-boundary emigration and to find out how their representation and significance change in relation to age and the educational level.

The next task of the respondents was to express their attitudes to 10 *a priori* selected factors which might presumably represent barriers to emigrating from Slovakia. Respondents used a four point scale representing various levels of perception of single factors as barriers - from “not a barrier” to “real barrier”. The aim of this part of the research was practically identical with the preceding one and leaned on identification of:

1. the numbers of factors perceived by the respondents as a “considerable barrier” or even a “real barrier” from the point of view of potential transboundary emigration,
2. particular factors as barriers to emigration from Slovakia, followed by an assessment of how their representation varies depending on age and educational level of respondents.

## **Migration utility function**

Research on potential emigration was based in a theoretical pattern presented by Kultalahti (1994; 1997). The crucial notion for understanding the decision-making process of every potential emigrant is “the migration utility function” (individual comparison of utility levels of the actual place of stay to any alternative place, for example, also in another country). The function determines the willingness of potential migrants to change the place of their permanent activity and stay. “Utility” implies a number of factors acting in function as variables. The task of the research is to identify these and to assess the parameters determining the final decision on change of place of living. While economic factors oriented to comparison of the income levels at home and abroad, number and structure of the existing work opportunities, and real/purchase value of money are decisive for any potential migrant, non-economic factors are also significant (breach of traditional linkages with family or friends, efforts to renew them, uncertainty of successful social adaptation and integration in different culture, language barrier, pressures on improving one’s own or the family’s social status, etc.).

Emigration in the sense of migration utility function is a multi-causal process, in which the utility attained by migration depends on a particular and current situation before migration, cost and gains incurred by migration. However, as Lutz (1993) pointed out, it is necessary to bear in mind that especially the legal potential (i.e. only intended and free from real risk ensuing



from change of place) transboundary emigration is very different from the real one, which on the other hand depends on the specific, short-term policy of the receiving countries. Liu and Norcliffe (1996) are of the same opinion with the finding that the scope and structure of transboundary flows of migrants are initiated by the work force demand of the receiving countries and are subsequently controlled by their specific immigration policies.

## Research data

The questionnaire survey on potential emigration from Slovakia was realised in May and June 1996. The representative nature of the sample of employees in enterprises and other organisations in the Bratislava region was ensured by application of several criteria. The basic criteria for the stratified sample of enterprises/organisations from a establishment register was the ownership and size. The number of selected enterprises and other organisations was related to the number of all firms in each category. Table 7.1 then documents not only the size and ownership structure of the selected firms but also their overall structure within the Bratislava's territory. Public companies/organisation (along with production plants, also the schools, health care entities, research institutions) dominated. The somewhat poor representation of foreign companies and joint ventures was probably caused by an incomplete list of firms which did not quite reflect the dynamic changes in the ownership structure of the existing firms/organisations.

*Table 7.1. Ownership and size structure of selected enterprises and other organizations for the questionnaire survey in Bratislava*

Ownership / Size category	Private	Public	Foreign owned	Joint ventures	Total
50 – 74 employees	3	4	1	1	9
75 – 99 employees	1	3	0	0	4
100 - 199 employees	3	4	1	1	9
200 - 299 employees	1	2	0	0	3
Total	8	13	2	2	25

A single rule was applied to the random sample of respondents. The results of the primary pilot questionnaire survey by which about 2,100 respondents declared their attitude to (minimum 6 months') emigration from Slovakia, were used. The random choice of respondents in each enterprise/organisation

endeavoured to observe the proportional representation of persons declaring: 1) Real intention to emigrate from Slovakia, 2) Potential, though not yet concrete intention to emigrate, and 3) No intention to emigrate from Slovakia. This was not altogether possible in some enterprises/organisations considering the irregular distribution of the answers in the pilot questionnaire survey. Yet the fact remains that the final selection of respondents was carried out with the ultimate aim of coming as close as possible to the original intention. In the questionnaire survey, the task of which was to reveal the perception of encouraging, respectively discouraging factors affecting the willingness to emigrate from Slovakia and perception of barriers that do not allow to some respondents to realise their “dreamed of” emigration from Slovakia, 600 respondents participated.

Whereas the next part of the contribution is dedicated to differentiation of the answers depending on age and the educational level of the respondents, we present here the structure of random selected sample of respondents characterised by these important socio-demographic characteristics. The age categories of the respondents were as follows: 160 (27 %) of respondents were under 30, 248 (41 %) were 31-45 years old, and 192 (32 %) were 46 and older. Education: elementary school 23 (4 %) respondents, medium level education 375 (63 %), out of which 95 (16 %) had completed vocational school/technical school and 280 (47 %) had high school/secondary school, 186 (31 %) had some university education and 16 (3 %) reached the highest level of education, i.e. an academic degree.

## **The results of the questionnaire survey and an attempt at their interpretation**

Evaluating the influence of each of the 22 factors, the sample of respondents reported a prevalingly neutral attitude to 12 of them. Only the factor “struggle and competition in employer’s company” was reported by more than a half of respondents not to affect their willingness to emigrate from Slovakia (see Table 7.2).

The remaining 11 factors linked by nature with the social contacts of the respondents with persons living abroad, or questions regarding their careers, the prevailing percentage of indifferent respondents varied between 39 and 49 percent. See Table 7.3 expressing the distribution of prevailing evaluations (+ = positive, - = negative, 0 = indifferent, neutral) of single factors affecting the willingness to emigrate. Prevailing but also decisive answers, i.e. those that obtained the minimum 50 percent support of respondents, appear in bold.

*Table 7.2. Perception of single factors as encouraging, discouraging or neutral with regard to emigration from Slovakia. Distribution of answers of all respondents in Bratislava*

	Increases substantially	Increases to some extent	Does not increase or decrease	Decreases to some extent	Decreases substantially	Total
Improving language ability	52	25	15	3	5	100
Improving one's living conditions	37	34	19	2	8	100
Present wage/salary in home country	34	28	24	5	9	100
Seeking for new experiences	28	44	17	4	7	100
Search for healthier environment	22	32	31	6	9	100
Level of criminality in home country	21	22	40	6	11	100
Changing or seeking a job	21	28	28	9	14	100
Obtaining new professional qualifications	19	37	29	6	9	100
Graduation or break of studies	14	23	41	6	16	100
Advancement in career	12	27	39	7	15	100
International and foreign connections of Employer enterprise	12	21	44	6	17	100
Working for the contemporary employer	11	21	45	7	16	100
Other family members living abroad	11	17	35	4	33	100
Previous visits abroad	9	28	41	5	17	100
Level of criminality abroad	9	13	49	14	15	100
Foreign friends and acquaintances	8	21	42	6	23	100
Marriage with a foreign person	8	7	34	5	46	100
Struggle and competition in employer enterprise	7	15	55	8	15	100
Hostile attitudes towards foreigners abroad	6	8	45	17	24	100
People of own nationality living abroad	5	11	48	5	31	100
Friends moving abroad	5	17	49	6	23	100
Death of family member, divorce or the like	5	10	46	7	32	100

*Table 7.3. Distribution of prevailing evaluations of single factors affecting the willingness to emigrate (prevailing but also decisive answers, i.e. those that obtained the minimum 50% support of respondents appear in bold, see the text for more details) by individual categories of respondents*

	≤ 30 years	31-45 years	> 45 years	Elementary school	Vocational/ Technical school	High school/ Gymnasium	University/ Technical or business college	Academic degree (PhD)	All
Improving language ability	+	+	+	+	+	+	+	+	+
Improving one's living conditions	+	+	+	+	+	+	+	+	+
Present wage/salary in home country	+	+	+	+	+	+	+	+	+
Seeking for new experiences	+	+	+	+	+	+	+	+	+
Search for healthier environment	+	+	+	+	+	+	+	+	+
Level of criminality in home country	0	0	+	+	+	+	0	0	+
Changing or seeking a job	+	+	+	0	+	+	+	0	+
Obtaining new professional qualifications	+	+	+	0	+	+	+	0/+	+
Graduation or break of studies	+	0	0	<b>0</b>	<b>0</b>	0/+	+	+	0
Advancement in career	+	+	0	+	0	+	0	0/+	0
International and foreign connections of employer enterprise	0	0	0	0	0	0	0	<b>0</b>	0
Working for the contemporary employer	<b>0</b>	0	0	-	0	0	0	<b>0</b>	0
Other family members living abroad	0	-	-	---	-	-	0	0	-
Previous visits abroad	0	0	0	---	0	0	0	0/+	0
Level of criminality abroad	<b>0</b>	<b>0</b>	0	---	0	0	<b>0</b>	<b>0</b>	0
Foreign friends and acquaintances	0	0	0	---	0	0	0	<b>0</b>	0
Marriage with a foreign person	0	---	---	---	---	---	-	---	---
Struggle and competition in employer enterprise	<b>0</b>	<b>0</b>	0	0	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Hostile attitudes towards foreigners abroad	<b>0</b>	-	0	---	0	0	0/-	<b>0</b>	0
People of own nationality living abroad	<b>0</b>	0	0	---	0	0	<b>0</b>	<b>0</b>	0
Friends moving abroad	<b>0</b>	<b>0</b>	0	---	0	0	<b>0</b>	<b>0</b>	0
Death of family member, divorce or the like	<b>0</b>	0	0	---	-	0	<b>0</b>	<b>0</b>	0

The results suggest:

1) There are workers with inherited lack of career ambition in Bratislava, career being artificially promoted and maintained in the period of real socialism. Satisfaction in the individual's work, and consequently life, was reached by the philosophy of not "breaking" the average. The outstanding individual in his career path encountered barriers that ought to put him/her back to the existing average. It was generally admitted that the career of the workers did not depend so much on particular expertise or skills, as on personal contacts or linkages with important persons or membership in the Communist Party. This historically ingrained mistrust towards a career "merely" based on skills and knowledge is typical for a large part of Slovakia's population.

2) Meagre contacts of the Bratislava workers with foreigners (except for people from the Czech Republic). The situation was caused not only by the traditional unwillingness of the Slovaks to leave their land, but also by the 40 year isolation of Czecho-Slovakia. In the section dealing with real emigration from Slovakia we have mentioned the fact that the settlement of the Slovaks abroad existed after the Second World War as a the consequence of illegal emigration provoked by economic and political considerations. "The iron curtain" caused not only the breakage of contacts with compatriots but also limited the opportunities to build up contacts with the people living in the economically advanced part of world. It is then quite natural that with the reduced quantity and quality of the contacts with people abroad, the emotional factors (reunification of family or existence of friends living abroad) are not the decisive motivating reasons for potential emigration from Slovakia.

Young people under 30, contrary to other age groups, were indifferent to the factor "other family members living abroad" or "marriage with a foreign partner" (other groups of respondents would be motivated to live in Slovakia) but they were the only group which could possibly be motivated to emigrate from Slovakia by the "graduation or break of studies" factor (see Table 7.3). On the other hand, the prevalence of indifferent attitude to the factor "advancement in career" occurred only in the oldest group (over 46) of respondents. The empirical differentiation of the attitudes of the workers of Bratislava's enterprises has thus confirmed our hypothesis.

The differentiation of single factor evaluations was also influenced by the educational level of the respondents. It is most conspicuous with the factor

of criminality level at home and abroad. The university-educated respondents were indifferent to the factor “level of criminality in home country” in contrast to the respondents with lower education who might have been motivated by this factor to eventual transboundary emigration. On the other side the share of respondents indifferent to the effect of “level of criminality abroad” on their potential transboundary emigration decreases almost in line with the decrease in their educational level. The largest group of respondents with basic education were actually not motivated to transboundary emigration by this factor (see Table 7.3). This ambivalent attitude to the evaluation of criminality is certainly interesting. The positive effect of the factor “level of criminality at home” on transboundary emigration is in contrast with negative effect of the factor “level of criminality abroad”. Respondents in this group complained about the situation at home and also abroad. Sociological research has shown that the images and opinions of this group of respondents about individual countries are apparently influenced by mass media. The group has obviously no direct contact with people or little experience and information about the way of life in the “dreamed of” countries. The presentation of the level of criminality in advanced countries attractive to potential emigrants (e.g. USA, Germany) was definitely negative in the period of real socialism. We suppose that it is precisely this fact along with the inert opinion of people with low educational level that affected the differentiation of evaluations of factors linked to the level of criminality from the perspective of transboundary emigration.

The decisive encouraging factors supporting willingness to move abroad were considered those that obtained a minimum of 50 percent support from respondents expressed by a radical “increases substantially” or the moderate “increases to some extent” responses. Results have shown that the workers of Bratislava’s firms would be motivated to at least a 6 month stay abroad by six factors (in bold or expressed in number in Tables 7.3 and 7.4) presented in order of importance (Table 7.4): improving the language skills, seeking new experience, improving one’s living conditions, present wages/salary in home country, obtaining additional professional skills and the search for healthier environment. Representation and importance of the factors positively motivating at the minimum a half of respondents to emigration from Slovakia and their number were distinctly differentiated not so much depending on their age as on their educational level. It was confirmed by the results presented in Table 7.4 quoting the order and importance not only of the decisive positive factors encouraging transboundary emigration (numbers in bold), but all considered factors along with evaluation of their positions in the minds of the respondents desegregated into age and educational levels.

*Table 7.4. Factors substantially increasing willingness to emigrate by age and education in Bratislava.*

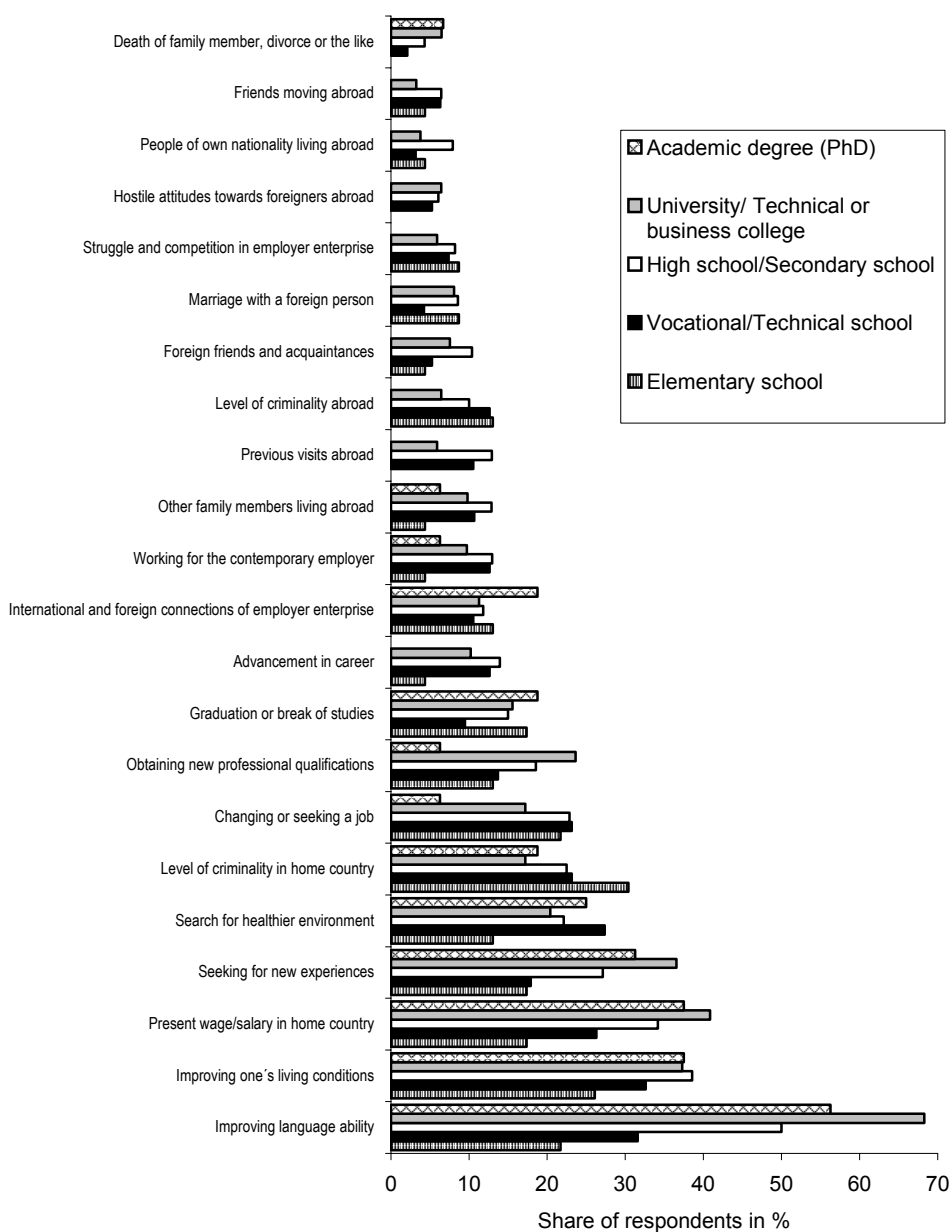
	≤ 30 years	31-45 years	>45 years	Ele- men- tary school	Voca- tional/ Tech- nical school	High school/ Gym- nasium	Uni- versity/ Tech- nical or busi- ness college	Aca- demic degree (PhD)	All
Improving language ability	1	1	1	5	3	1	1	3	1
Improving one's living conditions	3	2	3	3	2	3	2	4	3
Present wage/salary in home country	5	4	5	4	8	4	4	2	4
Seeking for new experiences	2	3	2	1	1	2	3	1	2
Search for healthier environment	9	5	4	7	4	5	6	5	6
Level of criminality in home country	12	8	6	2	6	8	11	7	8
Changing or seeking a job	6	7	8	10	7	7	7	9	7
Obtaining new professional qualifications	4	6	7	9	5	6	5	8	5
Graduation or break of studies	8	10	13	16	17	11	8	6	11
Advancement in career	7	9	17	6	11	9	12	11	9
International and foreign connections of employer enterprise	11	12	12	17	12	13	10	12	12
Working for the contemporary employer	14	13	10	11	9	12	14	14	13
Other family members living abroad	16	14	15	12	18	14	15	13	15
Previous visits abroad	10	11	9	13	10	10	9	10	10
Level of criminality abroad	19	17	11	21	15	16	18	15	18
Foreign friends and acquaintances	13	15	14	18	14	15	13	17	14
Marriage with a foreign person	18	21	22	15	22	20	21	18	20
Struggle and competition in employer enterprise	17	16	16	8	16	18	17	20	17
Hostile attitudes towards foreigners abroad	21	22	20	22	19	21	22	19	22
People of own nationality living abroad	20	19	19	20	21	19	19	21	19
Friends moving abroad	15	18	18	19	13	17	16	22	16
Death of family member, divorce or the like	22	20	21	14	20	22	20	16	21

Comparison of the single columns of the Tables 7.3 and 7.4 permits the identification of different longings (and partially also their weights) of potential transboundary emigrants from the Bratislava region. The results are eloquent. Let us try to quote some of the relevant conclusions:

1) The number of factors positively influencing potential emigration from Slovakia vacillates between 2 and 7 in individual groups of respondents. More than a half of people with basic education would be motivated to leave Slovakia only by “seeking a new experience” and because of “level of criminality in home country”. On the other hand people with university education would be motivated positively by as many as seven factors. This suggests a differentiation of interest in transboundary emigration, and also probably a critical attitude to the respective capabilities of the respondents with regard to successful adaptation to a foreign country. It is possible to assume that in future above all highly qualified experts with good prospects on a foreign labour market will leave Bratislava and Slovakia.

2) The item of “improving language skills” as the most important positive factor encouraging transboundary emigration in the whole sample of respondents, as well as in all age categories, suggests the orientation of people from the Bratislava’s region towards a short-time stay abroad. It is certainly interesting that more than a half of the whole sample of respondents declared that an opportunity for “improving language ability” increases “substantially” their willingness to emigrate. The need for and interest in improvement of one’s language skills by more than a six month stay abroad is distinctly differentiated depending on the educational level of the respondents (Figure 7.1). The stated need and interest dominate in the respondent category with higher academic degree or university education (56 and 68 percent respectively) and decreases steadily with decreasing level of education (only 22 percent of basic education respondents). The results fully correspond with the hypothesis that the opportunity for improving language skills would be relevant above all for highly qualified people whose successful employment in attractive jobs available in the Bratislava labour market is often bound to a good spoken and written English or German. At the time of the research Bratislava was remarkable for the highest concentration of foreign capital in Slovakia; on the territory of Bratislava there were some 4,273 companies with participation of foreign capital as of March 31, 1996. The number represented a 47 percent share of the total number of similar companies resident in Slovakia. The amount of foreign capital located in Bratislava was at the same date 13,959,441 thousand Sk (about 465 mil USD), i.e. 62 percent of the total volume of foreign capital in Slovakia).





*Figure 7.1. Factors substantially increasing willingness to emigrate by education in Bratislava.*

3) The preceding assertion concerning the preference for a short-time stay abroad is also supported by the evaluation of factor “marriage with a foreign person” which implies *a priori* a long-term stay abroad. The idea of leaving Slovakia because of changed family status is unacceptable for the whole sample and all respondent groups (except for the youngest ones, under 30 who find the factor irrelevant). This is the only factor which discourages the intention to emigrate from Slovakia. It is also another result anticipating the interest in widening the professional or cultural horizon, experience and improvement of one’s economic situation rather than interest in a long term stay abroad.

4) The factor “seeking for new experiences” obtained a balanced evaluation as it positively influenced at least half of every respondent group in their consideration of possibly leaving Slovakia, which again proves the preference of short-term stays abroad.

The practical realisation of transboundary emigration is influenced by both positive pull factors and a great number of negative factors which manifest themselves as barriers, easily perceived by the potential migrants. Some of them exist, others are mere fears, products of slight knowledge of the situation abroad. The barriers perceived as the most important in discouraging the potential transboundary emigration of Bratislava’s workers are presented in Table 7.5.

*Table 7.5. Perception of individual factors as barriers to emigration - distribution of answers of all respondents in Bratislava*

	Not a barrier	A small barrier	A considerable barrier	A real barrier	Total
Insufficient language skill	17	34	31	18	100
Insufficient work skills	38	39	16	7	100
<b>Family in home country</b>	22	21	<b>35</b>	<b>22</b>	100
Friends in home country	28	32	28	12	100
<b>Probability of becoming unemployed in destination country</b>	10	23	<b>35</b>	<b>32</b>	100
<b>Probability of not getting a job matching one’s education and skills</b>	10	23	<b>41</b>	<b>26</b>	100
Strange culture and way of living abroad	31	43	18	8	100
No contacts to other countries	26	33	27	14	100
Problems considering visa	24	41	25	10	100
<b>Problems considering work permit</b>	10	24	<b>44</b>	<b>22</b>	100

The biggest barriers of potential transboundary emigration of workers of Bratislava's enterprises concentrate on doubts over legal self-realisation on a foreign labour market. At the time of the questionnaire survey especially the neighbourhood of economically advanced and consequently attractive Austria above all as a working place was sharply contrasted with: 1) a demand only for hard-working and highly qualified work force and 2) increasing pressure on regulation of work force immigration to advanced countries which also manifested itself in Austria by stricter and ever more limited granting of work permits to foreigners.

This meant that the probability of becoming unemployed in the destination country, of not getting a job matching one's education and skills, and the problems with obtaining a work permit were perceived by up to two thirds of the Bratislava respondents as a considerable barrier or even as a real barrier for a long-term exodus from Slovakia. For the absolute majority, i.e. for a decisive part of the respondents the "family in home country" factor also represents a barrier. The remaining factors were perceived either as "a small barrier" or even "not a barrier". The results again indirectly confirm the assumption that the majority of potential transboundary emigrants is not so much interested in permanent settling in a foreign country as in a short-term stay with the purpose of improving their economic status in Slovakia.

The respondents aged 31–45 and those with basic or medium level education (high school/secondary school) consider "probability of becoming unemployed" the most serious barrier to transboundary emigration (see Table 7.6). The smallest concern was manifested by the oldest respondents (46 and over) and the respondents with the highest level (academic degree) or the medium level of education (vocational/technical school). "Problems with work permit" was perceived as the most important obstacle by the youngest respondents (under 30) and those with academic degree or vocational/technical education. The oldest (46 and over) respondents and the university educated group were concerned about the probability of not getting a job matching their education and skills. They placed this risk in the first category of the barriers presented in Table 7.6.

*Table 7.6. A real or considerable barrier in Bratislava – the order of barriers by their importance (1=the most important, 10=the least important) in individual categories of respondents (decisive barriers - numbers in bold)*

	≤ 30 years	31-45 years	≥ 46 years	Elementary school	Vocational/ Technical school	High school/ Gymnasium	University/ Technical or business college	Academic degree (PhD)	All
Insufficient language skill	5	<b>5</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>5</b>	7	10	5
Insufficient work skills	9	10	10	7	10	10	10	9	10
Family in home country	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	5	<b>4</b>	<b>4</b>	4	<b>4</b>
Friends in home country	7	7	7	<b>6</b>	9	7	5	7	7
Probability of becoming unemployed in destination country	<b>2</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>1</b>
Probability of not getting a job matching one's education and skills	<b>3</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>2</b>
Strange culture and way of living abroad	10	9	9	10	8	9	9	8	9
No contacts to other countries	8	6	6	9	6	6	6	5	6
Problems considering visa	6	8	8	8	7	8	8	6	8
Problems considering work permit	<b>1</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>3</b>

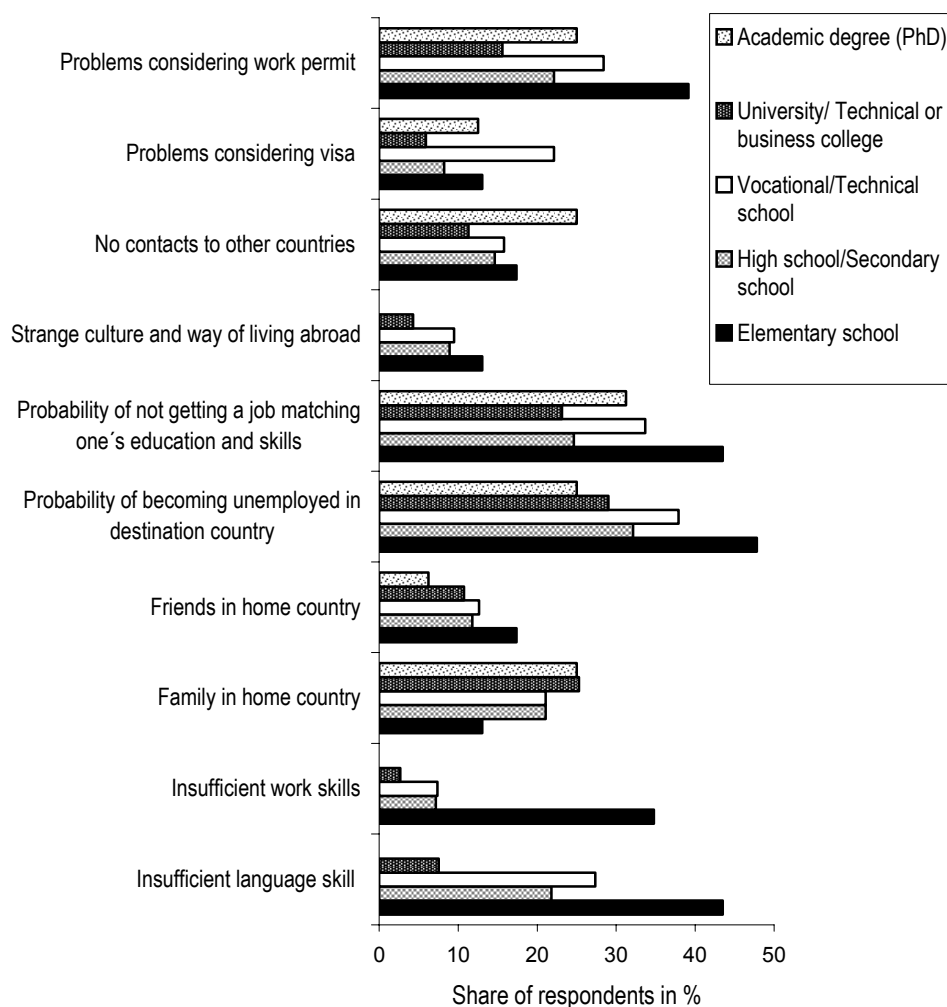
These same groups of respondents were characterised by awareness of specialised skills possessed and the position reached closely correlating to lack of ambition to re-qualify, or unwillingness to risk the loss of a relatively good job (cf. Tables 7.3, 7.4 and Figure 7.1). On the other side, an above-average critical evaluation of relevant information obtained is expected precisely from these groups of respondents. Such fears are naturally at the low-

est level in the group with the lowest educational level (basic school) and the group of respondents under 30 whose ideas are often idealised and who also have not finished their education. In the first group this is the fifth and in the second the third most important real barrier or considerable barrier to emigration from Slovakia.

Insufficient work skills, strange culture and way of life abroad, and problems with visa were considered as the least important barriers to emigration from Slovakia by all respondents from Bratislava. It proves their self-confidence and awareness of possessed skills, minimum problems attached to adaptation to new cultural environment, and their knowledge of the situation in visa policy in Europe. Depending on age and educational level reached by the particular respondent, no important differences were manifested in evaluation of the above mentioned factors as barriers to potential emigration from Slovakia. The only exception was the group with basic education; almost a half of them (48 percent) believed that insufficient work skills is a real or considerable barrier to emigration from Slovakia (the most seventh important real or considerable barrier).

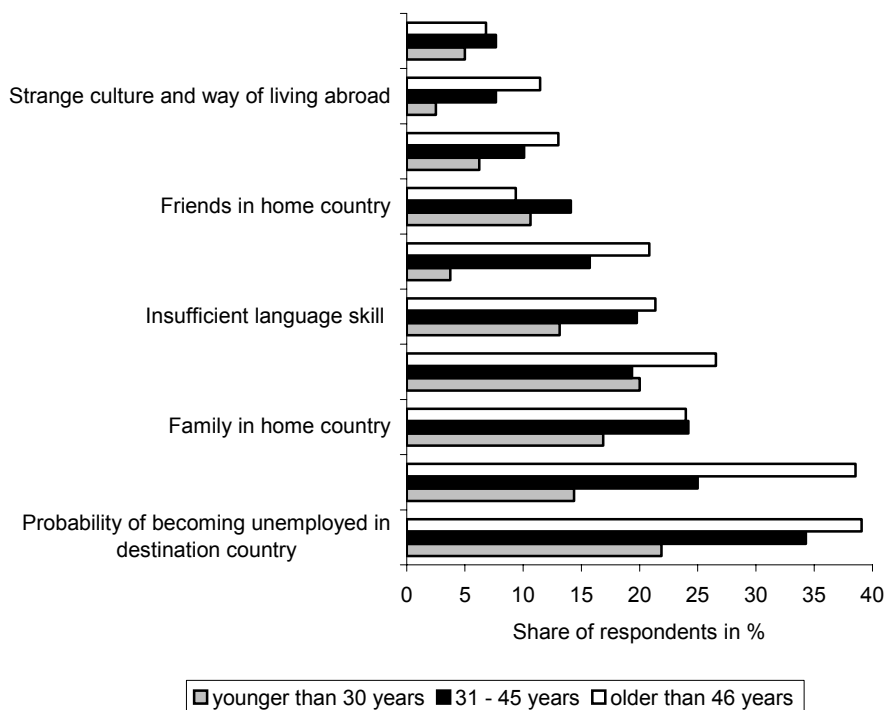
However, we get a somewhat different view when paying attention only to extreme manifestations of perception of the individual factors as real barriers to emigration from Slovakia (Figures 7.2 and 7.3).

Failure on the foreign labour market and becoming unemployed (the most important real barrier) is a strong barrier to emigration from Slovakia for a third of all respondents (33 percent). This negative and pessimistic attitude grows continually with age (from 22 to 39 percent) and drop dramatically with increasing level of education (from 48 to 25 percent). The same was observed with the factors “insufficient language skills” (the fifth most important barrier) and “strange culture and way of life abroad” (the ninth most important barrier). Again we have to admit that the empirical results fully correspond to expectations based on theoretical laws governing migration and the study of the particular situation in Slovakia. The years of isolation of its population from the German and English speaking countries led to negligence of tuition of these languages.



*Figure 7.2. Perception of individual factors as real barriers for emigration from the Slovak Republic by education in Bratislava*

Hence the historical heritage raises natural fears of incapability of adaptation to a new way of life precisely in people who lived the longest time under abnormal conditions and/or did not have any opportunity or capability to learn these foreign languages.



*Figure 7.3. Perception of the individual factors as real barriers for emigration from the Slovak Republic by age structure in Bratislava*

## 7.5. Conclusion

The importance of transboundary migration is constantly growing. In spite of numerous causes, many authors agree that the decisive share is that of economic disparity of the world's states. The existence of "the rich and poor" countries, improvement of transport means bringing the "dreamed of" countries closer to the potential emigrants. Accessibility of information in media and the existence of interpersonal information networks facilitating the first contact with the foreign country, the origin of the illegal "emigration-immigration industry" promote extensive transboundary migration of people driven by the longing for a more satisfying and happier life. Answers to questions as to what extent the people of Slovakia realised or realise their transboundary emigration and which factors may influence the future process of transboundary emigration from Bratislava and its closest environs, are those presented in this study.

It is obvious that the increase of economic disparities between Slovakia and individual states may in future act as an accelerator of transboundary movements, the rational regulation of which will lie almost exclusively in the hands of the receiving countries as there does not seem to exist a capacity to address the accumulated problems in the sending countries. And the number of foreigners (also from Slovakia) admitted to the territories of economically advanced states will apparently depend on their "rational", increasingly restrictive immigration policies.

## Translation:

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# 8

## TRANSBOUNDARY MIGRATION AND COMMUTING FROM SLOVAKIA TO AUSTRIA

DANIEL KOLLÁR

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### 8.1. Introduction

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The Velvet Revolution of 1989, the opening of the western frontiers and profound socio-political changes have caused Slovakia some new and unfamiliar socio-economic problems intensified by the disintegration of Czechoslovakia and the birth of two independent states: the Slovak Republic and the Czech Republic (1 January 1993). After the fall of the iron curtain the process of transforming a centrally planned economy to a market economy was accompanied by economic and political troubles connected with the establishment of new state started in Slovakia, too.

Division of the Czech and Slovak economy brought about a new situation in the overall economic transformation and caused several economic problems. However, the principal economic measures accompanying the transformation of the economy with prosperity as the final aim were already introduced back in 1990. Some of these were the "small" and "large" privatisation, liberation of prices and foreign trade, restrictive currency and budget policies, and an inflow of foreign capital. By the beginning of the 1990s these measures had resulted in economic recession, rising inflation, a growth of the foreign trade deficit and unemployment (Kollár 1996b).

Several of the above-mentioned phenomena were new in the economic and social development of Slovakia and their geographic research is highly relevant. Their significance is also enhanced by the changed geopolitical position of the neighbouring space between Vienna and Bratislava, which acquired new economic dimensions manifested mainly in investment and work-migration flows. This is the reason why we want to point at the selected economic and socio-geographic aspects of the development of Slovakia with special regard to the proximity of Austria and to characterise more closely two geographic dimensions of their economic relations which are under development: labour market and migration.

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## **8.2. Theoretical and methodological basis**

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The problem of transboundary migration and commuting for reasons of work is not new in geographic research. However, in the nineties it acquired new dimensions to which the scientists also respond. A new migration behaviour model remarkable for more frequent commuting between the place of living and place of work in contrast to a long-term emigration is in the focus of attention (De Tinguy 1994). Ever more frequent is the case of short-term earning stays abroad with the aim of preserving the original domicile. Some authors (Fassman, Kohlbacher and Reeger 1995; Morokvasic 1994; Rudolph 1994) however, report that the present day migration processes are not qualitatively new. All that is new is the modern information channels, the social profile of the commuting labour force and the "diminishing" of distances, what on the one hand supports proneness to migrate and on the other the effort to go on living at home.

This is why contemporary geographers pay attention above all to the motives and factors causing migration of population. In the classic push-and-pull model the most important role in the actual migration is played by two economic factors:

- employment available on the labour market,
- earning available on the labour market.

Some authors (Treibel 1990) broaden the concept by two more factors linked to information networks and the personality traits of the migrant (desire to improve the social status, ability to adapt to new environment, perception of change, etc.). The contemporary behavioural and human geography partly deals with the cited questions and several authors report in the context a "not

altogether rational" behaviour of man. For instance, in the research of spatial behaviour of man Thomale (1974) distinguishes two paradigms:

- "Behaviour in space" rather considering objectively observed behaviour and activity of man, or social groups in space, while space is interpreted as an "activity area of man".
- "Spatial behaviour" where the spatial behaviour of man is characterised rather by neutral behaviour from the point of view of activity and space is interpreted as a mental or cognitive image of the spatial cognition and perception.

What is relatively new is the second paradigm in the spatial behaviour of man. Its focus is not on a descriptive plan of the research of spatial behaviour of man and the related activities (Schultes-Becker, 1990). It is rather concerned with the world of images and feelings about the space that enable a better understanding of man with his specific needs and his decisions in space (Ira, Kollár, 1992). The theoretical concept of the contribution presented is based in the paradigm quoted, where the phenomenon of space is replaced by the indicators of the labour market. From this point of view the transfer of Downs' scheme of human behaviour (Ira, Kollár, 1992) to the problem of commuting migration pursuing work would be extremely interesting. Components of the quoted scheme like knowledge, experience, images, feelings and adaptation of the migrant in new environment create the indicators of migrating behaviour of man and complete the mosaics of comprehension and explanation of such a complex phenomenon like work migration abroad.

The preceding research in the Austrian-Slovak boundary area confirmed (Maier 1994, Fassmann, Kollár 1996) that work migration from Slovakia to Austria is the most frequently recurring type of Slovak-Austrian commuting migration. One of the works of Austrian geographers (Fassmann, Kohlbacher, Reeger 1993) at the beginning of the nineties has pointed out the need for research on the phenomenon and its effects on the Austrian labour market. Slovak work migration to Austria, in contrast to Polish, Turkish or Yugoslavian migration, is characterised by daily and weekly migration connected with a different perception of the Austrian environment and with a different type of adaptation to it. At first glance it might appear that the migrating behaviour of the Slovaks to Austria is based only on maximisation of the economic profit and minimisation of the time loss. Nevertheless, as behavioural geography does not explain the behaviour of man according to the model of "*homo oeconomicus*", it is more appropriate to study the subjective interpretation of the causes and consequences of foreign work migration on part of the Slovak guest worker himself.

This was the reason why the methodology of the research of the phenomenon was built not only on the analysis of official statistical data but first of all on empirical research. Two surveys were carried out and evaluated. The first of them in autumn 1994, an inquiry lasting three days at the Slovak-Austrian border crossings yielded the answers to two basic groups of questions:

- What is the size and spatial structure of work migration of Slovakia to Austria?
- What groups of population judged by socio-demographic and socio-geographic traits participate in migration to Austria?

Based on the study of Austrian statistics and the results of the first empirical survey the second was carried out by using extensive interviews of a representative sample (by age, sex, education and domicile) of 250 respondents.

This contribution on border commuters from Slovakia to Austria is based first of all on the second survey carried out among the Slovak workers in Austria, who were asked detailed questions concerning their feelings and adaptation. The questions in the questionnaire were oriented to selected social and behavioural-geographic aspects of work in Austria and the spatial aspect was expanded by the subject of perception and evaluation. The evaluations of feelings and adaptability connected with the work of the Slovak guest workers in Austria were not analysed independently in this contribution. They are related to the ideas of the respondents of their future.

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### **8.3. Transboundary migration and commuting**

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Transboundary migration and commuting of the economically active population is among the important accompanying phenomena of the present economic transformation in the post-communist countries. After the fall of the Iron Curtain the situation in spatial mobility in Slovakia has also changed dramatically. The geopolitical distance, especially that between Slovakia and Austria, diminished. While before 1989 more than 90% of all departures of Slovak citizens and arrivals of foreign visitors were between socialist countries, in 1999 14.9% of arrivals of the foreigners were border crossings to Austria and as many as 19.0% of the departures of the Slovaks were Slovak-Austrian border crossings (Routes: Petržalka-Berg, Jarovce-Kitsee, Moravský Sv. Ján-Hohenau and railway Devínska Nová Ves-Marchegg).

Transboundary migration between Austria and Slovakia is a growing trend. The causes of continuously rising Slovak-Austrian transboundary mobility probably stem from the following aspects:

- for Slovakia Austria represents an important gateway to the West,
- Vienna and Bratislava, two capitals of adjacent states are 60 km distant from each other and in the region in which new economic links and centres originate,
- regarding the not very encouraging economic situation of Slovakia, the high unemployment rate and the low living standard of Slovak citizens, short or long-term employment has become a great dream for many Slovaks.

Geographical research on the Slovak-Austrian boundary area (Maier 1994; Kollár 1996a) confirmed that commuting motivated by work and shopping is the most frequent reason Slovak citizens to visit Austria. Above all, work migration from Slovakia to Austria currently plays a very important role in the Central European context and influences the Austrian and Slovak labour markets.

Studies by Austrian geographers (Fassmann, Kohlbacher, Reeger, 1993) has pointed out the need for the research on Slovak-Austrian migration and a need for empirical analysis of the question. Later works (Fassmann, Kohlbacher, Reeger 1995; Fassmann, Kollár 1996b) confirmed the special nature of Slovak-Austrian work migration to possess traits that have no analogue in Europe. Unlike the Polish, Yugoslavian or Turkish migrants in Central Europe, due to the nature of daily or weekly migration, the Slovak workers do not need accommodation in Austria. Contrary to European migrations, Slovak-Austrian work mobility remains at the level of inter-urban migrations between the cities of Bratislava and Vienna, with a corresponding socio-demographic and professional structure of the labour.

The results of empirical research at the Slovak-Austrian border crossings, done in 1994 (Fassmann, Kollár 1996a, Fassmann, Kollár 1996b) answered the following questions:

What is the extent of Slovakian commuter migration into Austria?

Which population groups are involved in Slovakian commuter migration into Austria?

In October 1994, to shed light on the actual extent of commuter migration from Slovakia into Austria, we did a systematic count of border crossings from Slovakia into Austria. Using observation sheets, student helpers monitored the number of Slovakian citizens leaving Slovakia and the origin of Slovakian vehicles. The survey was carried out between 6 p.m. on Sunday and 9 a.m. on Monday and between 4 a.m. and 9 a.m. on Wednesday. In addition, a short questionnaire was distributed to drivers waiting at the border; this included questions on gender, age, education, marital status, educational qualifications, knowledge of languages, place of residence, destination, pur-

pose of the journey and job in Austria. Respondents were selected at random. Every tenth car driver was asked to fill in the questionnaire.

Through Sunday night and Wednesday morning the number of Slovakian citizens entering Austria from Slovakia amounted to 4,647 and 2,220 respectively. Two-thirds of the Slovaks entered Austria by the main Petržalka-Berg border crossing. About 11% used the second most important border crossing (Jarovce-Kittsee) and a further 10% came by train. The other border crossings (Moravský Sv.Ján-Hohenau and Poštorná-Rheinthal between the Czech Republic and Austria) were only used by a few travellers.

Questionnaires were completed at all the border crossings and on all the buses and trains entering Austria during the period of the survey. The choice of persons was intended to be a systematic sample. Every tenth person was selected. As many of the passengers in cars, buses and trains volunteered to fill in a questionnaire, the sample consisted of 920 persons instead of 680 (10% of 4,467 and 2,220).

The areas from which the travellers came could be identified from their vehicle registration numbers. The majority were commuters from Bratislava and Western Slovakia. During the two observation periods 45% of all private vehicles came from Bratislava and 41% from Western Slovakia. The other 14% came in roughly equal proportions from other regions of Slovakia (Table 8.1).

The main destinations of the Slovakian commuters were Vienna and a few districts close to the border such as Gänserndorf, Bruck an der Leitha and Neusiedl am See. The Viennese labour market absorbs most of the skilled workers and, as might be expected, those working in the services sector. Rather than returning home daily, commuters working in Vienna tend to do so several times a week. However, those working in the agricultural sector (in viticulture and plant nurseries) in districts close to the border commute daily, but only in the season when work is available.

Table 8.1. Areas of origin and destination

Areas of origin	Areas of destination (%)				
	border crossing <sup>1</sup>			work <sup>2</sup>	
	V	GBN	O	V	GBN
Bratislava	64	47	55	66	59
West-Slovakia	25	25	20	26	36
Middle- and East Slovakia	11	28	35	8	5
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: October 1994 Survey

Legend: V - Vienna, GBN \_ Gänse Dorf, Bruck a.d.L., Neusiedl, O - other District

1 - 887 interviewed, 2 - 468 interviewed

From which areas the Slovakian commuters originate depends on the time and transport costs required to reach the Austrian labour market. The fact that Bratislava is the dominant area of origin of Slovakian commuters is thus no great surprise. Much more interesting, however, are the differences between areas of origin that are equally distant from the potential place of work in Austria. Thus, people from the district of Trnava tend to commute to Austria significantly more than those from the district of Senica, which lies directly on the Austrian border and which has its own border crossing. The people of the central Slovakian districts of Prievidza, Považská Bystrica, Žilina and Banská Bystrica also cross the border more often than those from the west Slovakian districts of Komárno, Levice and Nové Zámky, which lie close to the border.

There are various reasons for this modification to a simple distance model: There is a slight inclination to mobility of a conservative-agricultural population in the region north of Bratislava (Senica), the relative isolation of the Hungarian minority and its identification with Hungary and the existence of information networks and good transport links that prefer Central Slovakia.

In all, half of the persons interviewed (53%) stated that they were travelling to Austria in order to take up work. Two-thirds of the Slovaks interviewed on the border were men. This proportion rises to 84% for worker commuters. The age structure is also a typical one of an early migration phase: 70% of the interviewees were under 40, compared with 74% of work commuters. Less than a quarter of work commuters were over 40 (Figures 8.1 and 8.2).



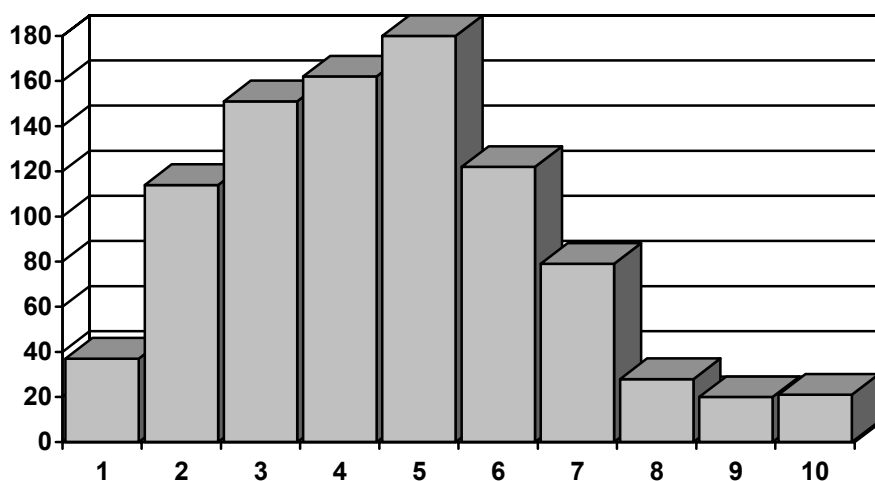


Figure 8.1. Age pyramid: migrants interviewed en route for Austria  
*(Source: October 1994 Survey)* Legend: Age in Years (1 = to 20, 2 = 21-25, 3 = 26-30, 4 = 31-35, 5 = 36-40, 6 = 41-45, 7 = 46-50, 8 = 51-55, 9 = 56-60, 10= 61 and over)

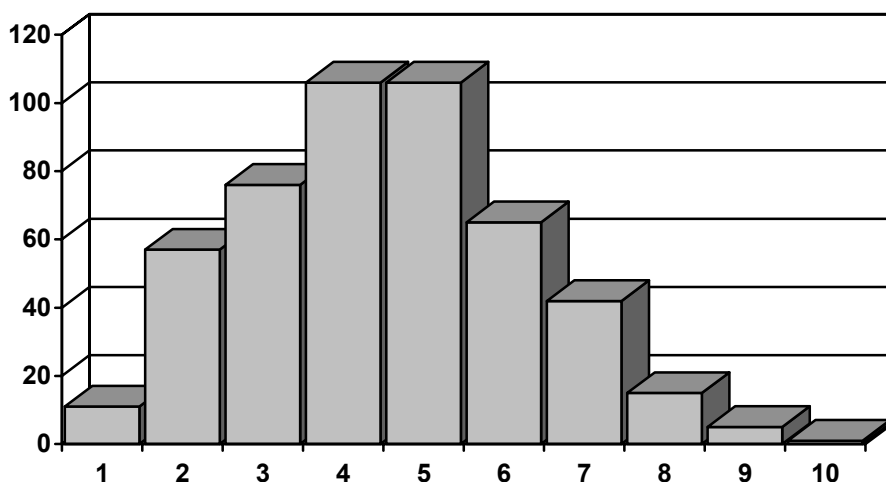


Figure 8.2. Age pyramid migrants interviewed en route for Austria  
*(Source: October 1994 Survey)* Legend: Age in years (1 = to 20, 2 = 21-25, 3 = 26-30, 4 = 31-35, 5 = 36-40, 6 = 41-45, 7 = 46-50, 8 = 51-55, 9 = 56-60, 10= 61 and over)

The marital status figures confirm the view presented at the beginning of this paper suggesting that commuting to work represents an economical alternative to temporary or open-ended emigration and also minimizes commuter running costs. If the married commuters were to emigrate with their spouses and, perhaps, one or more children the running costs per family would be very high and the benefits would be outweighed by the costs. Commuting is different and, particularly for those married and with families, it is much more economical than migration. The educational level of the Slovakian work commuters is very high. Although 21% of those interviewed had only attended compulsory general or vocational school, as many as 26% were university graduates (Table 8.2). These results are supported by another survey (Maier 1994). They indicate a serious problem for the Slovakian labour market: the lack of qualified manpower in certain sectors and regions.

*Table 8.2. Sociodemographic characteristics of migrants interviewed*

	border cross- ing		reason for entering (%)							
			work		shop- ping	visit		other		
	N	%	N	%	N	N	%	N	%	
Gender										
male	693	76	408	84	50	89	54	146	77	
female	221	24	76	16	25	77	46	43	23	
all	914	100	484	100	75	166	100	189	100	
Female status										
single	200	22	86	18	13	47	28	54	28	
married	668	73	382	79	55	105	64	126	66	
divorced	32	4	12	2	6	7	4	7	4	
widowed	12	1	2	1	1	6	4	3	2	
all	912	100	482	100	75	165	100	190	100	
Educational background										
basic school	35	4	11	2	6	10	6	8	4	
vocational training	142	16	91	19	18	22	14	11	6	
higher-level school	478	52	254	53	43	99	60	82	44	
university	253	28	125	26	8	33	20	87	46	
all	908	100	481	100	75	164	100	188	100	

Source: October 1994 Survey

The occupational structure of the commuters is of particular interest. For this reason we asked what work the commuters had last done in Slovakia before starting to work abroad. We wanted to ascertain which sections of the population are involved in commuter migration and which migrants have been obliged to accept jobs which are below the level of their skills and qualifications.

The empirical findings show very clearly that those who have been working in the service and manufacturing sectors in Slovakia commuted more often than others. Two-thirds of all commuter migrants had worked in the service sector in Slovakia and one third in manufacturing. A third of all women were employed in the health service alone and a fifth of all men were in technical jobs. Agricultural workers seldom commuted.

The differences between the last job held in Slovakia and the present job in Austria are surprisingly small. All female Slovakian commuters who had previously worked in the health service are also employed in health and elderly care or as nurses in Austria. Compared with their last job in Slovakia, male Slovakian commuters are more often found in production jobs, trade, agriculture and, interestingly enough, in office and administration jobs in Austria. On the other hand, they are comparatively seldom to be found in technical jobs and teaching and research (Tables 8.3 and 8.4).

*Table 8.3. Occupation in Slovakia*

Occupations	Work migrants		Men	Women
	N	%	%	%
Agriculture and forestry	8	2	2	1
Industry and trades	153	33	38	4
productions job	94	20	24	1
construction	59	13	14	3
Service sector	305	65	60	95
commerce, transport	33	7	6	12
service sector jobs	77	17	18	9
technical jobs	88	19	20	11
office and administration	10	2	1	9
health service	33	7	2	34
teaching and research	34	7	7	9
others	30	6	6	11
<b>Total</b>	<b>464</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Survey, October 1994

The next thing to be pointed out is that the commuter migrants are, for the most part well-educated, younger people and mainly male. Two-thirds of them come from service sector jobs and thus have a good chance of finding employment on the Viennese labour market. There is a considerable degree of positive selection of commuter migrants.

Another feature of commuter migration from Slovakia into Austria is that between the urban labour markets of Bratislava and Vienna. In this case commuter migration is a form of urban-urban migration in contrast to the rural-urban migration typical for most forms of labour force mobility. This accounts for the smaller amount of occupational "misplacement".

*Table 8.4. Occupation in Austria*

Occupations	Work migrants		Men	Women
	N	%	%	%
Agriculture and forestry	23	5	6	3
Industry and trades	170	38	44	6
production job	120	27	31	6
construction	50	11	13	0
Service sector	255	57	50	91
commerce, transport	44	10	10	7
service sector jobs	70	16	17	10
technical jobs	48	11	10	11
office and administration	20	4	3	14
health service	34	7	2	36
teaching and research	26	6	6	5
others	13	3	2	8
<b>Total</b>	<b>448</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Survey, October 1994

Finally, the short distance between the dominant areas of origin and destination requires comment. The search for an adequate and suitable job is much easier and less expensive if it is possible within an hour's journey of Vienna, without giving up one's domicile in Slovakia. It is only when a job has been found that the decision in favour of commuter migration is taken. This is also a reason for the small amount of occupational "misplacement".

Building on the results of the first empirical study, in 1996 the second study was carried out with a representative sample of 250 respondents, Slovak workers in Austria (according to gender, age, education and profession). The focus of interest, besides the basic characteristics of the Slovak work

migrants, was working activity in Austria and perception of the working conditions, housing and expectations for the future.

The first empirical study (Fassmann, Kollár 1996a,b) already proved that, contrary to other foreign migration, Slovak work migration to Austria is not subject to any pronounced decline of occupational status, and migrants' situation on the Austrian labour market cannot be considered marginal at all. The results of the second empirical study also confirmed small statistical differences between education, qualification and the last employment in Slovakia compared to the present employment in Austria. For the occupations the Slovak migrants were educated for in the country of origin, the following categories were used: 1. occupation without any qualification, 2. specialised occupations, 3. highly qualified occupations. The activities carried out in Austria were classified into three categories: 1. auxiliary work, 2. specialised work, 3. highly qualified work (Table 8.5).

*Table 8.5. Employment in Slovakia and the activity in Austria*

Occupation in Slovakia	Activity carried out in Austria							
	auxiliary work		specialised work		highly qualified work		Total	
	N	%	N	%	N	%	N	%
without qualification	5	100	0	0		0	5	100
specialised	51	29	123	71	0	0	174	100
highly qualified	5	7	13	18	53	75	71	100

Source: Survey, February 1996

Table 8.5 documents that 75% of Slovaks with highly qualified occupation carried out highly qualified work in Austria, too, (only 18% and 7% work in specialised jobs and auxiliary jobs respectively). The situation of the migrants with specialised qualification is rather similar. Generally it can be stated that the Slovak work migrants to Austria found positions corresponding to their education.

The activity of the Slovak workers in Austria also differs statistically significantly from the point of view of selected geographic aspects (Table 8.6). Spatial analysis of the places of departure (in Slovakia realised at the level of Bratislava, western Slovakia, central Slovakia and eastern Slovakia) and place of arrival (in Austria at the level of three categories - boundary districts, Vienna and other districts) points to a distinct spatial differentiation. 72% of the highly qualified labour of Slovakia comes from Bratislava and works in technical occupations and research. Likewise, 69% of highly quali-

fied Slovak specialists are oriented to Vienna though half of migrants carrying out auxiliary work in Austria come from western Slovakia (Bratislava rural area, Senica and Trnava) and mostly work in agriculture and construction in the Austrian boundary districts (Gänserndorf, Bruck an der Leitha, and Neusiedl).

*Table 8.6. Geographic aspects of the work carried out in Austria*

	Total				
			%	%	%
POINT OF DEPARTURE	N	%	Auxiliary	Specialised	Highly qualified
Bratislava	117	47	26	46	72
western Slovakia	89	35	46	36	23
central Slovakia	32	13	23	12	4
eastern Slovakia	12	5	5	6	2
Total	250	100	100	100	100
			N=61	N=136	N=53
PLACE OF ARRIVAL					
Vienna	115	46	34	43	68
boundary districts	46	18	25	21	6
other districts	89	35	41	37	27
Total	250	100	100	100	100
			N=61	N=136	N=53

Source: Survey, February 1996

## 8.4. Perception of work and work conditions

The results on the feelings and adaptation of the Slovak guest workers in Austria regarding their acceptance on the Austrian labour market differ from those of an earlier study on other Eastern European migrants to Austria (Fassmann, Kohlbacher, Reeger 1995). That research demonstrated that accepting an inferior job not corresponding to the qualifications of the migrant is the toll paid for his/her integration into the foreign labour market. The Slovak example of work in Austria, however, proves the contrary, namely rather a small qualitative difference between the last job of the migrant in Slovakia and the new job in Austria, and relatively high earnings demonstrate the special nature of Slovak-Austrian work migration. The preponder-

ance among the migrants of young and above-average educated people must also be stressed. Two thirds of them were working in the tertiary sphere in Slovakia, which offered them relatively better chances to find their place on the Vienna labour market.

Another special trait of Slovak-Austrian work migration within the European context is caused by the fact that the place of the last job in Slovakia was mostly the urban labour market (Bratislava) and the location of the job in Austria is again mostly urban (Vienna). Commuting migration between Slovakia and Austria gains the nature of city-city in contrast to earlier rural area-city migration. It is also connected with a minimally different professional location between the last job done in Slovakia and the new one in Austria. Moreover the small geographic distance between the dominant place of living in Slovakia and the dominant place of work in Austria should be noted. The search for an adequate working place is then easier and cheaper. Actually the Slovak worker decides to migrate only after finding adequate employment in contrast to other guest workers (for instance from Poland) who first look for temporary lodging and a temporary job. This fact also explains the low rate of "wrong" or too different professional location of the Slovaks in the labour market in Austria.

Positive or negative work conditions and new jobs in Austria, as well as job satisfaction are documented as examples of spontaneous associations of pleasant or unpleasant experience, or job dissatisfaction. They are important indicators of adaptation to the working place and society, as well as a signal for potential migration behaviour and future considerations.

The attitudes of the Slovak guest workers were measured by the following questions:

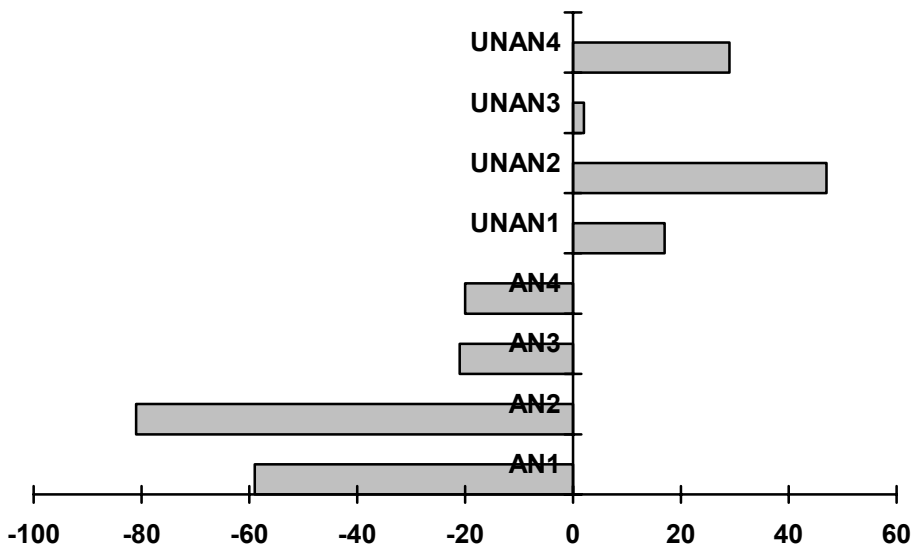
- What has positively surprised you in relation to your job in Austria?
- What has negatively surprised you in relation to your job in Austria?

The individual answers without doubt confirm more positive than negative associations with a job in Austria. As the very diversified answers do not allow a statistical analysis, four more general types of categories were created according to single spontaneous associations of the respondents. In the case of pleasant associations four main categories emerged:

- AN 1: good and efficient working system
- AN 2: pleasant working atmosphere, environment, relations and collegial spirit
- AN 3: good technical equipment at the working place
- AN 4: earnings.

Negative associations with a job in Austria were likewise divided into four categories:

- UNAN 1: poor and inefficient working system
- UNAN 2: unpleasant working atmosphere, environment, relations and poor collegial spirit
- UNAN 3: inadequate technical equipment of the working place
- UNAN 4: negative attitude at foreigners.



*Figure 8.3: Spontaneous associations with a job in Austria*

In general it can be stated that the spontaneous working associations confirmed the prevailingly positive nature of the surprises connected with a job (only 24% of respondents were not positively surprised by anything in an Austrian place of work, while 53% of respondents did not express any negative experience gained at the place of work). Out of the single categories of pleasant spontaneous associations reported above surprise at pleasant working and social atmosphere at the working place occurred most frequently (32%). In the category of unpleasant spontaneous associations this answer was also relatively frequent but its number was substantially lower (19%). The unpleasant surprise of negative attitude to foreigners at the working place was reported by only 12% of Slovaks, permitting the interpretation of a positive trend in Austrian society and the Austrian labour market. However, the Slovak example is probably not comparable to guest workers of other nationalities. Hypothetically it suggests tolerance towards Slovak colleagues among some Austrian employers and employees, or a positive image of Slovaks working in Austria.



Further analysis of pleasant spontaneous impressions concerning work in Austria revealed numerous statistically significant dependencies between the selected socio-demographic and socio-geographic traits of respondents and their "agreeable surprises" at work. Sex in relation to perception of work conditions in Austria shows differences in the priorities of men and women. Whereas the Slovak men report feelings of pleasant surprise due to well-functioning work system (37% of men), women appreciate pleasant work atmosphere, personal relations and collegial spirit (55%). Agreeable spontaneous impressions of work atmosphere are also typical for young age categories of 18-30 years (54%). This to a certain extent contradicts the traditional idea of the Slovak population about working conditions of guest workers abroad and is partially due to communist propaganda of "capitalist exploitation". The number of positive statements on work atmosphere, collegial spirit and personal relations increases with better proficiency in German and skilled work carried out by Slovak migrants. On the other side longer stay in Austria allowing for better knowledge of the work conditions evokes rather pleasant associations of the work system. The legal status of work undertaken likewise causes differences in pleasant spontaneous impressions of work in Austria. Migrants with work permits and health and social insurance report most frequently surprise at the good work system (41%).

Disagreeable spontaneous associations of work conditions in Austria do not have as many statistically significant dependencies as the agreeable ones. Negative perceptions of work conditions are connected above all with the performance of "inferior" work in terms of migrant's qualifications and the related lower financial remuneration and lower savings. Higher number of reported unpleasant associations of work in Austria is typical for the medium class of migrants carrying out specialized jobs (almost 60% of all negative surprises reported were in this employee category). They were able to save monthly from 9,000 to 12,000 ATS. Migrants doing specialized jobs report disagreeable surprises more often than auxiliary workers or highly qualified experts regarding the work atmosphere, environment, relations and a negative relation to foreigners. The causes of this may lie in relatively shorter stay, which is characteristic for migrants doing less qualified work in Austria. For instance, the group of mostly auxiliary workers tends to be "satisfied with everything in Austria." And the opposite, highly qualified individuals because of their longer stay in Austria got used to working conditions and identified with them. In this context the cases of unpleasant spontaneous associations of work or work place in Austria is also more sporadic.

The avowed satisfaction or dissatisfaction of the Slovak guest workers with the working conditions in Austria implies a better positive or negative perception of working conditions. The satisfaction of an individual with cer-

tain matters is based on bilateral relation of objective reality and its subjective interpretation. It forms one of important human feelings with a high probability of influencing the individual's behaviour. In this context a distinct dominance of satisfaction of the Slovak migrants with their work place in Austria prevails (88%). Although the quality of work in Austria does not affect the feeling of satisfaction or dissatisfaction there exist statistically significant differences in satisfaction of individuals between work in Austria and education and qualification achieved in Slovakia. Education and qualification in the majority of cases are not in contradiction with the quality and expertise of the work done in Austria. Migrants reporting dissatisfaction with work in Austria are mostly commuters doing work currently "inferior" to what they did in Slovakia. They are typically university graduates who are only starting to work in Austria and have not yet found a suitable job on the Austrian labour market (26% of them are dissatisfied with their workplace). However, after a year or two spent in Austria these migrants find a job to fit their qualifications. High statistically significant correlations between dissatisfaction and the work done, and considerations of changing the job indirectly confirm this tendency. The feeling of distance from home and that of being a foreigner are also among the most frequently reported reasons for dissatisfaction. However, a relatively small number of "dissatisfied" migrants does not allow a reliable interpretation of the phenomenon.

Job changing makes full integration of the Slovak guest workers into the Austrian labour market possible. The main reasons for changing jobs among Slovak guest workers in Austria are economic; 31% of migrants who changed jobs in Austria reported the real cause of the change to be "higher earning". The geographic distance of the place of work in Austria from the domicile in Slovakia or poor relations at the workplace are not as important. Frequency of change of workplace depends on respondents' age and sex. For instance, 88% of women have never changed their job in Austria while the men interviewed are in this sense substantially more flexible; almost every third man has changed the job at least once in Austria. The respondents aged 36 to 45 years are more prone to change jobs, almost 40% of them had had a minimum of two jobs in Austria. And conversely the least prone to change jobs are the youngest (under 25 years) and the oldest age groups (over 45).

In conclusion we can say that perception of work conditions and feelings associated with work in Austria represent a basis for the study of future development of the Slovak migration to Austria. In terms of the further adaptation or maladjustment of the Slovak migrants working abroad, this issue explains, to a certain extent, the development of the labour market in the forthcoming years.

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## 8.5. Future expectations

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Analysis of future development of the Slovak work migration to Austria is based on quasi "objective characteristics" of a migrant on the one hand and subjective interpretation of reality on the other. Ideas of the forthcoming work in Austria are differentiated according to socio-demographic characteristics (sex, age), socio-working traits (activity carried out and length of stay in Austria, legal status and income) and subjective interpretation of job satisfaction and feelings associated with it.

The majority of the respondents (58%) intend to work in Austria for more than ten years. There are statistically significant differences between men and women concerning ideas about the future. While women prefer short-time and limited stay abroad (more than 40 % do not want to work in Austria longer than three years) and only the difficult economic and social situation in Slovakia has forced them to look for a job abroad, 60% of men want to stay in Austria as long as possible.

Regarding other socio-geographic traits, the future of work in Austria correlated above all with age. For example, while almost half of the youngest migrants want to work in Austria for more than 10 years, 44% of them consider the job in Austria a temporary solution. This is connected with the level of education of the young migrants. Long stays are desired by young graduates of the medium level education and universities in Slovakia (they are trying to stay in Austria as long as possible) while temporary stays are attractive for the university students who are only trying to improve their financial situation. In older age categories the idea of long-term work in Austria prevails reaching the highest level (68%) in group of migrants over 45 years.

Activity in Austria likewise influences ideas regarding future work. Ideas of long-term work abroad are typical for migrants active in specialized jobs (63% of them want to stay in Austria more than 10 years, or as long as possible, though almost half of the guest workers in the category of auxiliary workers want to stay in Austria for a maximum of three years.

Statistically significant dependencies exist between the length of stay in Austria and ideas of future work career. The longer the Slovaks are active in Austria, the more they want to stay. Of the migrants who arrived in Austria in 1995, 51% express the will to stay longer. The share of those wishing a long-term employment in Austria is greater among those migrants who arrived in 1994 (61%) and the highest value (67%) was reached among the migrants working in Austria four and more years.

*Table 8.7. Socio-demographic structure of migrants and the ideas of length of stay in Austria*

	Total		below 3 years	3-10 years	more	Total
	N	%	%	%	%	%
SEX						
men	180	73	21	18	61	100
women	67	27	42	9	49	100
AGE						100
below 25	68	27	44	7	49	100
26-35	73	30	18	22	60	100
36-45	68	28	18	22	60	100
46 and more	38	15	26	5	69	100
<b>Total</b>	<b>247</b>	<b>100</b>	<b>26</b>	<b>16</b>	<b>58</b>	<b>100</b>

Source: Kollár, February 1996

The particular plans for future work in Austria are statistically significantly dependent (as in case of the Polish migrants, see Fassmann, Kolbacher, Reeger 1995) on external factors regarding the labour market and housing available, as well as on the legislation and legal status of a migrant. In the case of the Slovak guest workers they correlate especially with income and work permit. While 53% of migrants earning less than gross 8000 ATS monthly want to stay in Austria for a short time, the migrants belonging to higher income categories wish to stay for a longer time (67%). Similar situation of different ideas also pertains in groups of guest workers possessing work permit and those employed illegally. While on the one hand 41% of migrants lacking a work permit consider their work in Austria a short-term affair, only one fifth of migrants with work permits report intended short-term stay in Austria, suggesting that higher income and possession of a work permit prolong the planned length of stay in Austria.

Causal circumstances concerning ideas of future work in Austria can be sought for in the mental or cognitive image of the work conditions in Austria. Positive perception and evaluation of the work conditions in Austria and satisfaction with work influence the ideas on the length of sojourn. Migrants expressing mostly their positive and surprise related to work want to stay long in Austria, while the idea of short-term stay is rather typical for individuals dissatisfied with their work (almost half of them report a limit of maximum three years at the present job in Austria). Highly interesting in this context though, is that dissatisfaction with work conditions in Austria does not correlate with potential change of job in Slovakia but with a considered change of job in Austria (67% of those dissatisfied are planning a change of jobs in Austria). This

corresponds to the contemporary theories of push-and-pull models (Treibel 1990), where using the example of Slovak income and employment in labour market it is necessary to stress that the negative situation on the labour market in Slovakia forces even dissatisfied Slovaks to go on looking for an adequate job in Austria, rejecting the option of returning back Slovakia.

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## 8.6. Conclusion

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Commuter migration from Slovakia into Austria occupies a special position. The relatively short distance between Bratislava and Vienna encourages the rapid creation of information networks and permits job-seekers to find work in line with their qualifications without too much financial outlay. Unlike other migrant groups, the Slovakian commuters experience almost no decline of occupational status below the level of their skills and qualifications. Consequently they do not have to take up a marginal position on the labour market. It is remarkable that both public opinion and official statistics have failed to register this new development and that the realistic figures to fully comprehend it are lacking. The fact that this form of East-West mobility is being accepted without comment as "the new normality" may, perhaps, be attributed to the common bonds of the past.

Predicting the future development of Slovak migration to Austria is at the present moment very complicated. The scenarios of the Slovak migration in the next years will still be based largely on economic reasons and influenced by numerous factors, such as legislation, opportunities for seasonal works in Austria, and political and economic development in Slovakia.

In this context it is interesting to observe the development on the labour market and the position of Austria in the Slovak commercial and capital flows as it changes geo-political position in relation to Slovakia. The important formation of new economic space between Vienna and Bratislava acquires new features in trade, investment and work-migration flows. Austria is one of the biggest foreign investors in Slovakia and its share in the Slovak foreign trade is likewise considerable. This was the reason why we tried in our contribution to highlight selected socio-geographic aspects of the development of Slovakia regarding the neighbouring Austria and above all to characterise more closely the role of work migration in the Slovak-Austrian development. Together with investment and capital it plays the most important role, positive for Austria and development on the Austrian labour market, and in turn negative from the Slovak point of view regarding labour market development. Large reserves still remain in establishing common en-

terprises and the long since publicised economic park in the Slovak-Austrian boundary area. These developments might partially solve the question of investments and mainly employment in relation to the continuously growing work migration to Austria and the Czech Republic.

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PART III:  
THE SPAN OF TRANSFORMATION



## EUROPE IN FLUX

ILARI KARPPI, OLLI KULTALAHTI AND HEIKKI RANTALA

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### 9.1. A more mobile Europe?

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**Europe transforms.** The 2004 enlargement will be followed by a process where two countries, Bulgaria and Romania, will join the common European structures. These two countries need to take even more dramatic steps than the most recent entrants. After their eventual membership the new candidate countries (Turkey and Croatia) and potential candidate countries (Albania, Bosnia and Herzegovina, Serbia, Montenegro, the Former Yugoslav Republic of Macedonia), nominated accordingly by the European Commission in the October 2004 proposal for new neighbourhood policy, will change not only the content but also the concept of the EU-centred Europe.

In the 1990s we took to calling the former Eastern and Central socialist countries *transition countries*<sup>1</sup> on their way towards a market economy. This referred to the change the countries underwent with regard to the western market economies. Such terminology has its justification but it also has a negative aspect; it easily leads us to consider the above-mentioned countries to be separated and isolated transitional regions rather than part of the whole

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<sup>1</sup> The term 'transition' refers to the period from the collapse of the planned economy to the membership of the European Union, the term 'transformation' refers to more general developments throughout Europe. 'Transitional period' refers to the periods set by the individual EU Member States in order to limit the free movement of labour from the new Member States.

of Europe undergoing *transformation*. Eastern and Central Europe are not changing alone, Western Europe is changing too. The transformation has been visibly under way for fifteen years, although in reality it has been going on in one form or another as long as there has been a setting of the 'east' and 'west' in Europe.

This book has sketched and analysed transformation-related changes in Europe from selected perspectives. Population changes and particularly the relationship between social changes and migration pressure pervaded all the articles in this volume. We wanted to emphasise the complexities of migration pressure and migration flows in the development of societies. Migration pressure and migration flows as a result of the discharge of the pressure are indicators of far-reaching societal changes. By analysing them we can better understand what is going on in society; and - *vice versa* - by analysing societal changes we can better understand the nature of migration pressure and the importance of the discharge of that pressure.

The book includes both theoretical and empirical analyses of migration pressure and related phenomena. Some basic trends in social developments, migration propensity and willingness, as well as the individual attributes of potential migrants were analysed in several papers. The ultimate aim was to portray the role of migration as a means to solve present problems and/or to achieve better living conditions in the future. There are certain social and economic conditions and individual characteristics encouraging migration. However, only the proper stimuli trigger migration propensity to be expressed as willingness to emigrate, leading to a decision to migrate. The stimuli may be many and varied, partly quite obvious and visible and partly difficult, if not impossible, to identify. Social networks, information channels, a person's ability to control his or her own life and relative deprivation serve as examples of fairly obvious stimuli.

In the transition countries there were specific developmental trends controlling and regulating migration willingness and migration pressure. The advanced education systems in the large urban areas create conditions for the development of the international labour markets, which are likely to attract young labour force from smaller areas, to provide schooling and training opportunities, to increase the number of career-oriented employees, and to encourage them to postpone marriage and having children to an older age. International interaction expands, relatives, friends and acquaintances emigrate, foreign enterprises and partners immigrate, information moves from one country to another through both the mass media and social networks.

There are many other developments strengthening emigration propensity in a country as presented in several papers. In this chapter we raise some policy issues of special interest with regard to the enlargements of the EU.

One of the most interesting issues is the immigration policies exercised by the old EU Member States. Most of them have imposed *transitional arrangements*, to prevent workers from the new countries from immigrating during the first years of membership; only those needed by the domestic labour market and/or provided with special permits are to be allowed to enter. Two consequences of this policy can be expected: selective immigration is likely to increase and the general attitude towards immigrants is likely to become, if not harder, at least more suspicious. Demand for skills is targeted at specialised fields; those needing unskilled workers and those needed highly skilled workers. The former fields are mostly those with temporary seasonal jobs whereas the latter are those offering longer-term careers. Here again we see a growing polarisation among immigrants; on the one hand, the transitional arrangements tend to strengthen the immigration of the unskilled, and on the other, they tend to favour the immigration of the highly skilled. Labour suppliers, “worker rentals” in a country of origin, as well as free entry for seasonal workers for a short period tend to increase the share of less skilled foreign workers.

Another question is whether transitional arrangements have any influence on the nature of emigration pressure in a potential sending country. If the removal of barriers at the end of the transitional period implies a greater “leap into free mobility” than it would have been at the moment of the New Members entering the EU, then the share of unplanned and sudden moves is likely to be high. On the other hand, if the transitional periods mean in fact gradual increase in immigration flows with more liberal permits (e.g. free entry for seasonal workers in certain fields, rental workers, special permits), then the outcome of a transitional period may be different.

**Migration pressure in question.** Accurate prediction of the forthcoming migration flows and their importance to a sending and receiving country is hardly possible. High emigration pressure and its sudden discharge may trigger drifting mobility. It means in practice that remedial moves are needed, either returning to the country of origin or to a new locality in the country of first destination or to another country. However, willingness to emigrate and emigration pressure are not directly measurable. In both cases it is a question of attitudes and motives which may be based on *a need to change the present circumstances* rather than *a need to emigrate*. This is one of the reasons why empirical measures do not necessarily yield a reliable result.

Perhaps we should ask whether it is rational at all to carry out empirical survey studies on this matter. Our answer, in spite of all uncertainty, is that surveys are worth doing. The question, however, is necessary because it leads

us to another question concerning the use of the results obtained from such surveys. We have reservations regarding direct superficial conclusions drawn from the simple distributions of the replies of respondents. What are needed are multilevel analyses with interpretations based on a knowledge and understanding of the situation and developments in the country in question. The themes presented in this book, such as the analytical framework, the changing regimes of the European East-West human mobility, the discriminative and integrative features of the formal and informal economies might serve as examples. Transit migration through the Visegrad countries and the migration histories of Czechoslovakia, after 1992 the Czech Republic and Slovakia, are illustrative examples. Due to their functional and geographical proximity Vienna and Bratislava as a regional labour market offer a good view of the discharge of migration pressure without permanent emigration or even any migration at all. This view was discussed in several contributions.

An essential aspect of this book on migration pressure and potential forthcoming migration flows is based on a need for a more thorough understanding of ongoing societal and socio-economic changes in both old and new Europe. Important questions are related to the developmental trends of integration and specialisation of the border regions which regulate the cross-border mobility of human resources. What is more, cross-border regionalisation includes enterprises and other organisations. Regionalisation creates the natural channels for the mobility of information based on functional similarity, goods, services, capital and people. It is typical for this interaction to be regulated and controlled. *Enterprises, other organisations and the social networks formed by fellow-actors are increasingly important regulators and controllers rather than the authorities leaning on legislation.*

A European Commission Report on the Functioning of the Transitional Arrangements set out in the 2003 Accession Treaty published in February 2006 draws several conclusions on the influence of the arrangements on the immigration of labour force from the new Member States to the old Member States (CEC 2006). For example, mobility flows between the EU10 (the new Member States) and the EU15 (the old Member States) are very limited and are simply not large enough to affect the EU labour market in general. The percentage of the EU10 nationals in the resident population of each EU15 Member State was relatively stable before and after enlargement, with increases in the UK and, more conspicuously, in Austria and in Ireland. In addition the report did not find any direct link between the magnitude of mobility flows from EU10 Member States and Transitional Arrangements in place. Ultimately, mobility flows were driven by factors related to supply and demand conditions. The migration flows following the enlargement have had

positive effects on the economies of the EU15 Member States. The employment rate has also increased in several countries since enlargement.

In the Third Progress Report on cohesion (CEC 2005), published in May 2005, the Commission requires European regional and structural policies to be more geared towards the goals set in the Lisbon Agenda. One of the Lisbon targets is a 70 percent employment rate, a target still not achieved by most of the EU25. For the entire EU reaching this target would require 22 million new jobs<sup>2</sup> to be created by the year 2010. Of this figure the new Member States should create 7 million, which corresponds an increase of one fourth of their total job increase. However, their job-creating capacity is seriously impaired by extremely low investment rates in research and development, which in turn slows down their necessary industrial restructuring. To some extent foreign direct investments, such as the new automobile industry in the Bratislava region, have alleviated the problem through the creation of new industrial activity, but this solution may prove to be only temporary, pushing the core problem further into the future.

As for the sectoral composition of the workforce, there has been no significant change in 2003, 2004 and 2005 (CEC 2006). EU10 nationals contribute to the national economies in a complementary way. In relative terms, medium-qualified people seem to be more numerous among EU10 nationals than among EU15 nationals in EU15 Member States (57% as opposed to 46%). Medium-level qualifications include upper secondary education and specialised vocational training, the qualifications typically under-represented in several EU15 countries.

The results presented in the report clearly confirm the conclusions drawn in several papers.

**A more regionalised future.** The integration and formation of interaction in regulated forms are necessary conditions for the social and economic success of the new and enlarged EU. Observations of transit migration indicate how uncontrolled and unregulated migration results in many kinds of problems rather than in cultural enrichment and economic stimuli in sending and receiving countries. What is typical of transit migration is insignificant return migration, a large amount of illegal migration, and failure to create positive impulses for labour force mobility and cultural exchange. Eastern and Central European countries are examples of those countries which suffer from transit migration due to inadequate border control.

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<sup>2</sup> Referring to EU27 (EU25 plus Bulgaria and Romania).

We can simplify by saying that the fundamental questions involved in the cross-border mobility of human resources are those of *border problems*. This may sound naive but if we expand the term *border* to cover not only borders between nation-states but also boundaries between cultures, languages, religions, national legislations and other value and norm bases regulating the behaviour of actors then we come to a more reasonable statement. The term “cross-border problems” assumes a more extensive content than is usually the case. Then cross-border regionalisation does not imply merely interaction over a physical border but also over cultural and other barriers, i.e. the nation-state with its borders fades out in relative importance and the functional or socio-spatial regions of actors, such as individuals, groups, administrative and other organisations, enterprises, come into focus. We are concerned with the *regionalisation of cultures* rather than only that of the areas around the nation-state borders.

The transitional periods for the mobility of labour force are examples of a much earlier phase of integration between Member States. They are also examples of missing border regionalisation of interaction, to use the terminology adopted above. Only some formal barriers have been removed; attitudinal and functional barriers are to a great extent still in effect.

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## 9.2. Social aspects of enlargement

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**Stages and scales of enlargement.** The 2004 enlargement was more controversial than any previous steps of territorial expansion, starting from the first one in 1973. Uncertainties faced in this instance reveal the impact of scales in societal processes – the fact that the particular spatio-temporal settings and the particular volumes are decisive factors in determining policy measures to cope with the process in question.

This time integration crosses the Cold War boundary, which has gradually fallen into oblivion since 1989 – as one reflection of the *global*, not merely the European restructuring of power constellations. Obvious differences can be viewed in a less dramatic light if, for a while, we ignore the details of the present enlargement. Instead it should be appropriate to sketch some details of the *process* through which the EC/EU has taken in new Member States:

- First, the EU has always grown poorer as new members have been admitted, either measured by strict economic indicators such as the GDP per capita (e.g. the “old” Cohesion Countries, the East German *Länder*) or with regard to the territorial predominance of vast areas in



receipt of the greatest highest structural support (e.g. Finland, Sweden).

- Second, the EU has experienced the process of taking in new members in the midst of their recovery from totalitarian and repressive regimes (Greece, Portugal, Spain).
- Third, there is nothing particularly new in debating and applying institutional precautions that leave the new members provisionally without some advantages of membership.

Limitations in free mobility of labour force from new to old Member States or in the phasing-in periods for the efficient adoption of full industrial, agricultural or structural policy instruments may appear contradictory to the EU's ultimate aims, but such measures are not being put into practice for the first time. Especially the Mediterranean members which after Maastricht became Cohesion Countries have been subject to such phasing-in periods. Furthermore, major institutional innovations have occurred in connection with enlargements. One of these is the introduction of the European Regional Development Fund, in 1975, reflecting the UK's accession to the Common Market two years earlier, or Objective 6 with sparse population regarded as a disadvantage qualifying for the highest structural support. Similarly, it is realistic to assume that the EU as we know it will not remain institutionally intact even in the most immediate future as May 2004 made it grow increasingly heterogeneous (cf. McGiffen 2001, 42).

Thus the old members stand on the top of accumulated institutional structures that in part reflect the effects of the previous enlargements. These structures are designed and implemented through gradual reforms and adjustments that mark the political process siphoned into intergovernmental conferences and the constant balancing of the Community institutions. Contrary to this continuity and constant reproduction of a common institutional basis, the new members have an essentially discontinuous institutional past that equips them with few tangible assets for shaping their new roles as EU members. Thus, it would hardly be realistic to expect that this heterogeneous group of countries could join the EU without friction, which needs to be alleviated by the full implementation of some tailor-made institutional frameworks. Since the Agenda 2000 process key instruments to do this have been the Special Preparatory Programmes. However, the phasing-in times following the 2004 enlargement are political necessities required by many of the old members, their farmers, trade unions and certain industries.

**Reconstruction of “European social space”?** In the last decade there has been a clearly discernible tendency among European scholars and policy-makers to identify linkages between economic performance and factors that constitute wellbeing both as an individual experience and as a goal of socially sustainable development (e.g. O’Leary 1995; Pakaslahti 2001). A politically tense issue, European social space is still far from being realised as a comprehensive concept, let alone policy framework (cf. Bonoli et al. 2000, 159). Yet concern for cohesion is itself a regulatory gesture. That such interference in the dynamics of European spatial development is needed reflects concern for short-term market failures rather than successes in securing resource allocation capable of bringing about balanced development and straightening out existing biases in the regions’ performance profiles.

The 2004 Cohesion Report, published on the eve of May 2004, addressed the area of justice and home affairs (JHA) that covers, for instance, immigration and asylum policies. Importantly, this section also makes a reference to particular *regions* becoming vulnerable to organised crime. The increasingly widespread need to counteract organised crime may reflect the overall dissipation of solidarity in the European societies. Yet the threat of organised crime gaining a tighter hold on the Community structures is projected particularly to the nations now joined the EU, and via that link to the entire Europe. This is typical of the standard storyline in the current enlargement discourse with new members proliferating vulnerabilities and the “Rumsfeldian Old Europe” on the verge of becoming besieged by the pathologies they stand for.

One of the roles traditional Western geopolitics provides of Central Europe – understood as the land mass separating Germany from Russia – is that of *cordon sanitaire*, a “safety belt”. The concept surfaces in the guise of one of the JHA dimensions suggested for cohesion policy: cross-border cooperation. Enlargement is seen to exacerbate the problem of corruption, insufficient institutional capacities, or inadequate maintenance of a stable political and economic environment. Cross-border cooperation, as one might envisage, might enable Old Europe to redouble its efforts to combat these menaces to all-European stability to the territories of the new members, confining the pathologies to the identified hotspots and eradicate them location-by-location (Karppi 2005). The particular area of concern to Old Europe comprises the (new) external borders and the measures necessary to block their permeability to the pathologies as described here cooperative or “Europeanised” *cordon sanitaire* thinking *par excellence*.

Of course the Cohesion Report also addresses fields of positive border-related activities with economic potential achieved through enhanced permeability. Overcoming the obstacles to economic growth by alleviating the “frontier effect”, a de facto cultural, linguistic and institutional barrier to in-

teraction even in the Common Market environment, is a challenge among the old members themselves and between old and new members alike. Yet in the latter case the fact that the two country groups used for decades to be closed to each other as far as spontaneous cross-border interaction is concerned widens gaps in cultural, linguistic, institutional and several other fields. Empirical evidence (e.g. Karppi 1989) suggests a relationship between the degree of absoluteness of a boundary's closed character and individuals' assessments of their abilities to cope with work organisations and the overall cultural configurations on the other side of the boundary.

The Cohesion Report is far from over-optimistic as far as the birth of a common European space through "automatic" or self-organised developmental pathways is concerned. Many burgeoning issues are brought to the fore that require common policies, interventions and regulatory measures. They include the creation of Networks of Excellence within the ongoing Sixth Framework Programme of Research and Development as a part of fostering the European knowledge-based economy as well as measures to support the development of human capital. For both of them enlargement poses challenges, as they reveal major cleavages that stem from differing capacities of technical infrastructures in the two parts of Europe but also differences in the ethnic relations or public health. One of the key issues here is the state of the public finances for coping with policy issues that fall into the sphere of Member States' national policies but that contribute to European prosperity and welfare as a whole.

**Jobs, employment and inclusion in an enlarged Europe.** A fundamental challenge for Europe concerns its ability to create jobs and thus provide its citizens with employment and prospects for welfare. Old members have already set almost gigantic goals that serve these fundamental targets and that should be achieved in the near future. The Lisbon strategy envisions Europe as the world's most competitive economic region by 2010. The "Education and Training 2010" programme aims at making Europe simultaneously a world reference for quality in the cultural field of human resource development. In both of these cases the Member States and the actors that jointly comprise their national and regional innovation systems are prime movers. In this instance enlargement, again, with growing heterogeneity of the Union as the intended subject of top competitiveness and capabilities policies implies increasing workloads for those designated to prevent the obvious widening of intra-Union cleavages.

New members may face serious problems while trying to catch up with the existing practices in policy areas where national administrative capacities and agenda setting as well as quality of institutions dealing with societal de-

velopment are concerned. In the last ten years much of their administrative restructuring has been guided by the *acquis communautaires*, which in turn have focused on making the legislative interface between applicants' national administrations as compatible with those of the EU as possible. The "remaining" national regulations are also largely bounded by European policy frameworks, of which the competition policy is the most obvious. However, social and labour policies, where the administration meets the individual, are effectively within the scope of national authorities.

Findings from the old Member States suggest that those regional economies that perform well in terms of high employment levels are characterised by certain distinctive factors. They are generally marked by high income levels and shares of employment low in agriculture but high in services. Moreover, regional economies that perform well are typically run by highly qualified people. The finding adds extra challenges faced by regional economies of the new members. Their income levels are typically lower than those of the old Member States, and in many cases the employment structures are biased towards the more traditional industries with the educational standards they require. One of the eventual consequences from that situation, identified by the Commission, is that the new members may, in the absence of adequate human resources and institutional basis be capable of efficiently implementing the Structural Funds and other all-European policy frameworks.

One of the key issues is that of social exclusion and inclusion. The phenomenon is recognisable in the old Member States, but particularly acute among the new entrants. The Central European ethnic tensions and minority problems have become more acute by the repeated rearrangements of borders as a historical process affected by pressures directed to the region by the surrounding conquering powers, Germany, Russia, Austria and Turkey. Consequently the new member societies can be said to have more numerous (and more strict) inclusion/exclusion thresholds that are harder to overcome for the weaker/minority population groups. Furthermore, the sheer purpose of these thresholds may be to keep members of the minority groups away from the fields of societal life reserved for the national and often new ruling majorities. A Union of democratic nations, the EU cannot accept such exclusive practices within its territory, and must thus sharpen its tools to counteract them with European-wide social inclusion programmes. Demographic pressures and the need to recruit as much as possible of the existing European population base gives a pragmatic edge to these moral obligations.

Speaking of the creation of a Social Europe and transfer of due models of societal governance from old to new members is a historical process. As noted above, many of the elements that may constitute a Social Europe are in

the hands of individual states. Thus, the new members also have and should have this role just as the old members do. Yet, assessing the New Members towards a high income trajectory capable of converging with the old members' developmental path requires assistance, which in turn means intervention from the surroundings of the Central and East European territory. The historical mission for the old members – also the traditional core powers having composed the great narratives of European history – is now to aim at an outcome more constructive for the Central and East European nations than ever before. In fact, all should win: the old members due to improved stability in what used to be an island of instability; the new members due to reduced tension among population groups and even nations; and Europe through the outcome of this win-win situation.

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### 9.3. Public debates on a wider EU

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**Enlargement revisited.** As Spain and Portugal became affiliated with the EU in 1986, there were worried arguments concerning large flows of Spanish and the Portuguese immigrants to the old EU countries were published in the media. However, the migration flows from the two new Member States to the old EU area remained lower than expected.

Finland, Sweden and Austria acceded to the EU membership in 1995. At that time Finland was recovering from an exceptionally severe economic crisis. At the end of 1994 the unemployment rate in Finland was as high as 16.6 percent. In spite of the high unemployment rate there were no prominent migration flows from Finland to the other EU countries. In the EU15 only about two percent of the population occupy in some other EU country than the country of origin. If history is repeating itself at least to some extent, migration flows from the eastern countries of the EU25 to the western Member States will likely remain at a minor level.

Suspicious regarding the westward moving masses of migrants have probably been most common in Austria and in Germany. It may be presumed that these insights have resulted from the opinion polls and surveys implemented in the EU applicant countries. In several inquiries respondents expressed high interest in taking up work in some of the old Member States. For instance in Finland the Central Organisation of Finnish Trade Unions (SAK) published fanciful figures on an influx of Estonian labour force likely to move to Finland.

**Free movement of labour.** When Spain and Portugal joined the EU in 1986, a transitional period of seven years was agreed. However, the strengthening of their economies that followed their membership triggered migration of labour *back* to those countries. Due to this, their transitional periods were shortened. In the present enlargement process the EU negotiated transitional arrangements of a flexible nature with the Central and East European countries, to allow the existing Member States to limit the movements of workers from the new members for a period of up to seven years after enlargement. Old members wishing to allow free movement sooner could do so. Reviews of the actual developments are planned two and five years after the enlargement. After five years the transitional period may be prolonged if there are major disruptions on the labour market.

It can be argued that the seven-year transitional period is relatively long concerning economic development. On the other hand, it can also be argued that as a political issue, and especially regarding the relationships between immigrants and indigenous population, seven years is a short period.

According to the European Commission (CEC 2004) the accession of the new members will enrich the EU through increased cultural diversity, interchange of ideas and better understanding of other peoples. In addition, according to the Commission, there will be a better quality of life for citizens throughout Europe as the new members adopt EU policies for the protection of the environment and the fight against crime, drugs, terrorism and illegal immigration. Thus illegal immigration is set alongside crime, drugs and terrorism. One of the most interesting arguments for the enlargement – evinced by the European Commission – is combatting terrorism.

**Whose Union?** As presented above, several threats are interlinked with migration in the discussion about the enlargement of the EU. However, when debating at the present EU end especially what the future holds for the EU, one should not only contemplate *what* the Union is but *whose* Union we are talking about. A new generation has grown up in Central and Eastern Europe since the implosion of communist rule. Young Central Europeans remember queues and demonstrations of military might. They now take an open society and belonging to the West for granted.

Unfair treatment of the young citizens of the new EU countries – such as transition periods for free movement of labour force – will likely undermine their commitment to European integrity. It can be assumed that many young people in the new Member States are resentful of the obstacles created by the old members. According to the Eurobarometer survey published in April 2004 about 75 percent of students and the highly educated in the new Member States identify themselves as Europeans. Among all the respondents the

figure is 55 percent, which is at the same level with the citizens in the old EU countries.

According to these results national identity among the young and the highly educated in the new Member States is not momentous. Apparently the young and the well-educated regard their national identity and national independence more pragmatically than does the older generation. To the young and the educated EU membership is a particular opportunity. The challenge of the EU is how it can respond to the high hopes of the young. It can be assumed that a weak commitment of the Eastern Europeans to the EU will not be a threat to the Union's future. The threat is the tendency of the old members uphold the old segregation line of the Cold War era.

It is obvious that favourable economic development will decrease emigration pressures in the new Member States. An effective instrument to prevent immigration to the EU15 area is an economic policy that creates stable economic conditions to the new Member States. The vital elements of such a policy are restricting informal economy, bureaucracy and corruption and increasing the trustworthiness of the system of laws. According to the above-mentioned Eurobarometer survey the attitudes of the young towards the state and politics are mostly negative or indifferent. Their trust in institutions is weak. They are for democracy but they are dissatisfied with the implementation of democracy in their home countries. Disappointment with the national politicians increases expectations of the EU. This is manifest in the opinions concerning national institutions and the EU institutions: the EU institutions are judged to be more trustworthy than the national institutions.

The question of the future of the enlarged Union can be summarised as follows: Is the European Union able to create the sustainability of economic growth and to restore trust in governmental institutions. The task is exceptionally challenging. The EU25 is more disparate when compared to the EU15. There are huge income differences between the countries and other geographical areas. There is perceptible segmentation on the labour market. As in history, for many citizens of the new Member States – especially for the young – migration is still a chance to improve one's economic situation.

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