

# WISE GRAD MOVES

ON MIGRATION IN CENTRAL EUROPE

This publication is the result of an international project Out of Visegrad implemented by the Multicultural Centre Prague with financial assistance of Visegrad Fund



## Dear Readers,

You hold in your hands a joint publication by the Multicultural Centre Prague, *Pasaż Antropologiczny* (Warsaw), the Michal Šimečka Foundation (Bratislava) and *Anthropolis* (Budapest). Since June 2007 this network of organisations from the Visegrad states have been working together on the project 'Out of Visegrad'. Out of Visegrad gave labour migrants from Czech Republic, Hungary, Poland and Slovakia (v4) the possibility to share their experiences of working abroad. Integrated into [www.migrationonline.cz](http://www.migrationonline.cz), the Multicultural Centre's specialised website on migration issues, each of the participating labour migrants reported on their daily experiences in form of a blog. Being much more personal and subjective than most of the website's other content, these blogs provided a unique way for the portal's visitors to contrast observations on migration with the actual experiences of migrants.

Hopefully, this presentation of the project, 'Visegrad Moves', will allow you similar insights. Combining excerpts of the 'Out of Visegrad' blogs with more academic pieces we aimed to make a publication that would allow more people to read and think about migration; one which can be read on the bus as well as in the library. The blogging migrants were asked from time to time to cover certain topics, but apart from these suggestions what you are reading is what we found to be the most relevant entries directly from the bloggers, with at least one from each v4 country. On the other hand, there are social science texts which reflect different and sometimes more general issues. However the dividing line between some of the 'non-academic' and 'academic' texts in the publication may be narrow; the bloggers themselves provided some profound and more general insights into the concept of migration, which may in part be attributed to their social sciences' background.

Finding a common link between the migration experiences of the v4 countries is arguably both difficult and debatable. Despite similar recent political and economic developments, the four Visegrad countries face different migration trends and related changes. However, there are many general similarities that have an impact on migration in the different countries. An incomplete list would include: geographical location, economic transition to capitalist economies, simultaneous accession to the EU and the growing economic and social discrepancies between booming capital cities and disadvantaged regions. On the other hand there are important differences, both in regards to cultural and historical facts, which need to be considered if we want to explain why people in each of these countries might come up with different associations if they hear the word 'migration'.

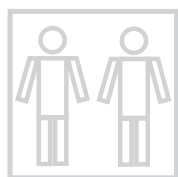
As mentioned above, the publication does not only reflect general differences in migration among v4 countries but also the personal experiences and opinions of migrants. Our bloggers from various countries quite often share the same experiences; however, they come often with different attitudes towards their fellow migrants as well as the country and society they now live in. For instance, blogger Attila's description of his reluctance to meet the Hungarian community in Hamburg contrasts with blogger Marie's regret that she did not meet with the Czech community in Luxemburg earlier. Furthermore, there are also some interesting differences among v4 countries reflected in the publication. For example, Kateřina Čeňková from CzechInvest states in the interview that there is no need to worry about possible 'brain drain' from the Czech Republic whilst Vladimír Baláž argues that significant measures should be taken to combat the same issue in Slovakia. On the other hand, it seems to be obvious from the academic articles that v4 countries share many similarities in respect to migration. A good example of that may be that fact that many of the articles deal with the issue of cheaper labour forces from their eastern neighbours. Gergő Pulay's article reflects on the position of Transylvanians in Hungary, Mirosław Bieniecki focuses on Ukrainian labour migration in Poland and Jakob Hurrell looks at relationship between labour migration and foreign direct investments. Thus, the publication comes with unique reflections of many migration issues in and out of the Visegrad region.

# Guide to the Publication

As a help to guide our readers through the issues we looked for key themes which link the different articles, interviews and blogs. Because there are many threads that interlink the articles we used 'Visegrad Stamps' relating either to themes or countries. These Visegrad Stamps (which you can see in the following pages) should serve as your guide.

By making a publication which is experimental in its form and style we hope that you have something which you can read from the front to the back or by following the thematic 'stamps', that you can reference in a paper or quote in the pub and that you can read whether you are in or, for that matter, Out of Visegrad.

## 'Visegrad Stamps'



### The Others and I

In what ways do migrants experience Western culture and how do v4 countries welcome migrants?

**See:**

PULAY G., *Ethnicity, the Labour Market and Returning Migrants* (p. 11)

BIENIECKI M., *Ukrainian Labour Migration to Poland* (p. 16)

ZAKARIÁS I., *Narratives of Difference and Sameness* (p. 21)

*Reflections on Fellow Migrants* (p. 28)

*Christmas Time* (p. 69)



### Mobility of Labour and Capital

How do the big investment incentives influence labour mobility in v4 countries?

**See:**

JURZYCA E., *Interview* (p. 33)

HURRLE J., *Perfect Location, Low Wages, No Workers* (p. 38)

ČEŇKOVÁ K., *Interview* (p. 47)

GRABOWSKI M. H., *Interview* (p. 44)



### Consequences of Migration

Does migration change regional development, social structures or the society into which migrants enter?

**See:**

BIENIECKI M., *Ukrainian Labour Migration to Poland* (p. 16)

JURZYCA E., *Interview* (p. 33)

GRABOWSKI M. H., *Interview* (p. 44)

BALÁŽ V., *How Much Does Brain Drain Cost?* (p. 50)

GRABOWSKA-LUSIŃSKA I., *Skill Shortages, Emigration and Unemployment in Poland* (p. 57)

*Christmas Time* (p. 69)



### Perceptions of Migrants

How are migrants perceived in both the sending and receiving societies?

**See:**

PULAY G., *Ethnicity, the Labour Market and Returning Migrants* (p. 11)

BIENIECKI M., *Ukrainian Labour Migration to Poland* (p. 16)

*Reflections on Fellow Migrants* (p. 28)

Politicisation

What is the political discourse on migration and how does it influence the daily lives of migrants?

**See:**

CIBOR K., *The Hollow Land?* (p. 65)

PULAY G., *Ethnicity, the Labour Market and Returning Migrants*, (p. 11)

Czech Republic

Total population: 10.2 million

Net migration rate: 0.97 migrant(s)/1,000 population (2007 est.)

The main countries of migrants' origin: Slovakia, Ukraine, Vietnam and Poland

Unemployment rate: 8.4 % (2006 est.)

**See:**

HURRLE J., *Perfect Location, Low Wages, No Workers* (p. 38)

ČEŇKOVÁ K., *Interview* (p. 47)

Hungary

Total population: 10 million

Net migration rate: 0.86 migrant(s)/1,000 population (2007 est.)

The main countries of migrants' origin: Romania, Ukraine, Serbia and Montenegro

Unemployment rate: 7.4 % (2006 est.)

**See:**

PULAY G., *Ethnicity, the Labour Market and Returning Migrants*, (p. 11)

ZAKARIÁS I., *Narratives of Difference and Sameness* (p. 21)

Poland

Total population: 38.5 million

Net migration rate: -0.46 migrant(s)/1,000 population (2007 est.)

The main countries of migrants' origin: Ukraine, Russia, Germany and Belarus

Unemployment rate: 14.9 % (November 2006 est.)

**See:**

BIENIECKI M., *Ukrainian Labour Migration to Poland* (p. 16)

CIBOR K., *The Hollow Land?* (p. 65)

GRABOWSKA-LUSIŃSKA I., *Skill Shortages, Emigration and Unemployment in Poland* (p. 57)

GRABOWSKI M. H., *Interview* (p. 44)

Slovakia

Total population: 5.4 million

Net migration rate: 0.3 migrant(s)/1,000 population (2007 est.)

The main countries of migrants' origin: Czech Republic, Ukraine and Poland

Unemployment rate: 10.2 % (2006 est.)

**See:**

BALÁŽ V., *How Much Does Brain Drain Cost?* (p. 50)

ČEŇKOVÁ K., *Interview* (p. 47)

HURRLE J., *Perfect Location, Low Wages, No Workers* (p. 38)

JURZYCA E., *Interview* (p. 33)



Editorial 3

Content Map 6

Bloggers' Profiles 8

GERGŐ PULAY

Ethnicity, the Labour Market and Returning Migrants 11

MIROSLAW BIENIECKI

Ukrainian Labour Migration to Poland 16

ILDIKÓ ZAKARIÁS

Narratives of Difference and Sameness 21

BLOGS

Reflections on Fellow Migrants 28

EUGEN JURZYCA

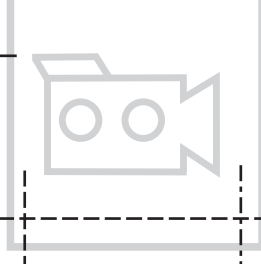
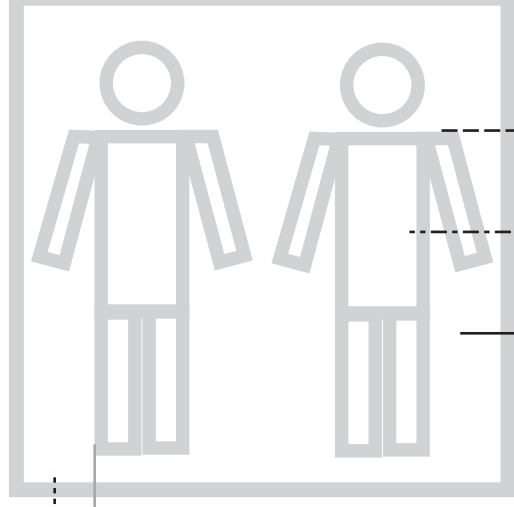
Interview 33

CBR

Comic 37

JAKOB HURRLE

Perfect Location, Low Wages, No Workers 38



MACIEJ H. GRABOWSKI  
Interview 44

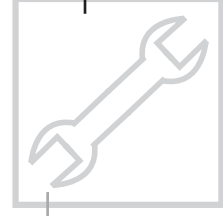
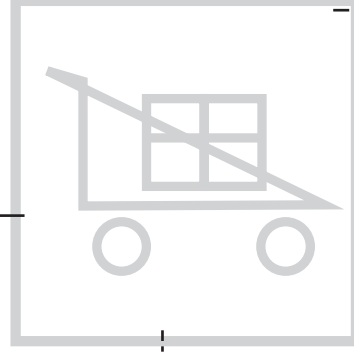
KATEŘINA ČEŇKOVÁ  
Interview 47

VLADIMÍR BALÁŽ  
How Much Does Brain Drain Cost? 50

IZABELA GRABOWSKA-LUSIŃSKA  
Skill Shortages, Emigration and Unemployment in Poland 57

KRZYSZTOF CIBOR  
The Hollow Land? 65

BLOGS  
Christmas Time 69



CZ

hu

pl

sk



#### Radek&Marketa

Radek and Marketa both come from the Czech Republic. Radek moved first, soon followed by Marketa, to England two years ago for the opportunity to get an interesting and well paid job, the experience of living abroad and, above all, to study and improve English. They rent a small flat together and work for a private company as Support Workers. They both studied Cultural and Social Anthropology in the Czech Republic and achieved Master degrees. They plan to stay in Worthing West Sussex for a bit longer, probably for one more year.

#### Klementyna&Wojtek

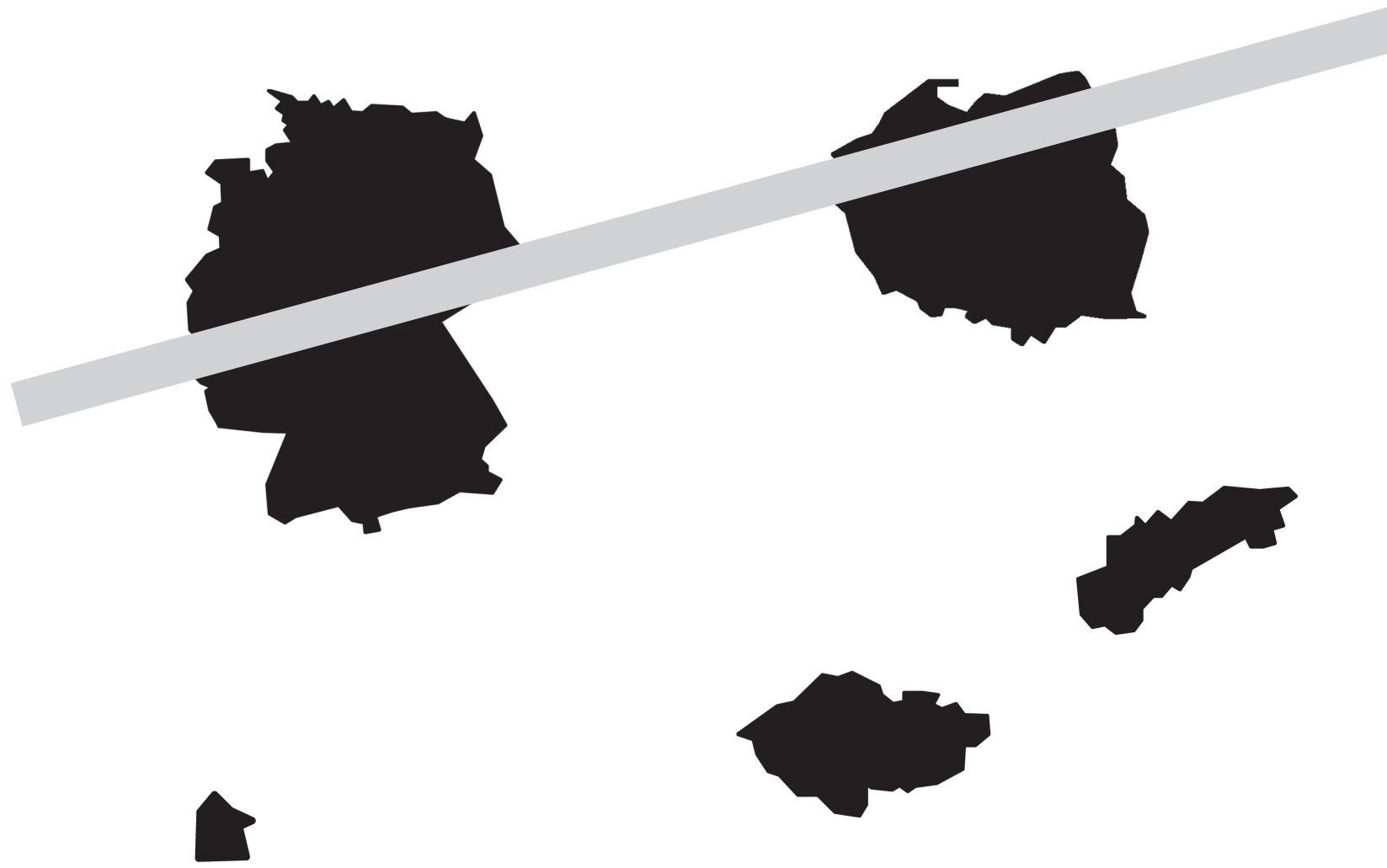
Wojtek is from Poland (from Cracow, exactly). He finished Art School with diploma: Conservator of Monuments. During his short studies of archaeology he became fascinated with Czech culture and language and so he started to study Czech filology. There he met his wife, Klementyna (they got married last year). Currently they live and work in Dublin in Ireland and have got several occupations. Klementyna grew up in a tower block in Gdańsk (Poland) and she moved to Krakow to study Czech. The second day at the Jagiellonian University she met Wojtek. Later Klementyna and Wojtek decided to go to Ireland for three reasons: 1. to learn English, 2. to save money for their future life, 3. for a new adventures.

#### Zuzana

Born in Bratislava. Graduated from Comenius University in 1998, holds a Masters degree in Social Work. Before and after graduation worked for an educational nongovernmental organisation (for two years altogether) and was undertaking projects for the UNHCR. Then changed direction and became part-time mother and part-time freelance trainer. From 2003 to 2005 worked for the Ministry of Labour, Social Affairs and Family of the SR as a Counsellor and became a part of the Young Ministers team. Now living in western Canada, Vancouver.

#### Jana

After completing her degree in marketing communication back in 2001 in Slovakia Jana didn't feel like committing herself to a day-to-day job, starting to be serious and do what is generally expected from you by the society. So she went to Australia for half a year. After coming back home, Ireland was set to become her next destination. So after shortly visiting the country for a week in June 2004 she has set foot on the island again in October 2004 for an unknown period of time. After two years she is still here living about 30 km north of Dublin city.



### Marie

Marie comes from the Czech Republic and she has been living for four years in the Grand Duchy of Luxembourg. She studied sociology, social policy and theatre studies, graduating in Sociology and Social Policy. She then left for the Netherlands to get a Masters degree in European Social Policy Analysis (MESPA). In Luxembourg she works as an assistant professor for Masters Programme in International Social Policy Analysis which is organised jointly by the CEPS INSTEAD research centre. She works with students and professors from all over the world and finds it incredibly interesting and enriching.

### Attila

Attila was born in Budapest, Hungary. He is 33 years old and teaches German at a school for cultural integration in Hamburg, Germany. He studied German Linguistics and Literature in Hungary and is continuing his studies at Hamburg University. His hobbies are playing guitar, reading and writing short stories and fairy tales. He's also interested in astronomy, wine tasting and photography. He finds Hamburg really exciting as it has many groovy bars, green open spaces plus canals, lakes and also boasts the second largest port in Europe.

### Ivana

Born in Bratislava in 1975. Finished study of Social Work at Comenius University in 1999. Worked for 7 years for an NGO in Slovakia. Lived for 2.5 years in Middlesbrough (North East England) as a carer for people with learning disabilities. Has just returned home.



# Ethnicity, the Labour Market and Returning Migrants

## between Hungary and Transylvania

GERGŐ PULAY

Since migration flows to Hungary are an object of international comparison among sociologists and anthropologists, one of the most emphasised features of the phenomenon is that a great proportion of migrants are ethnic Hungarians from the neighbouring countries. This fact is usually traced back to the seemingly shared cultural identity of the migrants and the receiving society (see: BRUBAKER 1998; STEWART 2004). In this case, the role of the kin state is not just the creation of an attractive image about the receiving society. As the argument continues, the shared cultural identity can facilitate the process of migration in practical terms. Namely, ethnicity can be a convertible form of capital: the language competence, or the former relations to Hungary, guarantees cultural, social or network capitals for ethnic Hungarians.

This model of relation between the kin state and the migrant is an ideal typical construction, the product of a more or less hypothetic comparison between the type of migration where the receiving country is seen as a 'mother country' for an ethnic minority and those cases when migrants are regarded as an alien group in the receiving society. In this paper I would like to refine this approach by discussing ethnicity not merely as a given feature which emanates from the cultural background of the migrant's sending society; but rather as a relational and situational factor in the process of migration. While ethnic belonging is not a stable variable of the process at the starting point of the migration flow, it still could be a problematic factor at the point of arrival. In this paper I discuss the various contexts of ethnic Hungarian labour migrants' self-understanding

in terms of ethnic or national belonging. On the one hand, these contexts are related to their everyday engagement in the construction industry of Hungary; on the other, to their trips back to their sending societies. The often short-term returns of migrants to their home communities tend to be encompassed by ritual activities for the maintenance of their identities in an alien land and also for the reinforcement of their social networks between the sending and receiving localities (MASSEY et al 1987). The forms of identification in the contexts of such 'homecoming rituals' and in the contexts of their everyday life as labour migrants are oppositional but also complementary ones. The paper is based on my fieldwork done between 2002 and 2005. One part of the research took place in Budapest, Hungary among ethnic Hungarian labour migrants from Romania; the other in a Transylvanian village (Szék/Sic\*, Cluj County) where labour migration to Budapest has become the main source of income for adults during the last one and a half decades.

### Ethnicity and the Labour Market

The construction industry has been one of the prime segments of the Hungarian labour market where ethnic Hungarian men established themselves during the last one and a half decades. After the post-1989 reformulation of Hungarian industry, it became one of those sectors where the proportion of native employees declined (especially in the circles of the less-skilled workforce) most noticeably when compared to the infrastructural and housing demands of Hungary's capitalist transition. The labour migrants from Hungary's Eastern neighbours are most discoverable around



The official Romanian name of the village is Sic, but since the 90% of the approx. 2000 inhabitants are ethnic Hungarians, I found it relevant also use the Hungarian name of the village, Szék.

the buildings of private houses, housing-estates, shopping malls or office-blocks. Labour migrants from these countries typically enter the Hungarian labour market without the necessary working and residential permission. For numbers of smaller entrepreneurs and subcontractors, the members of the foreign workforce became nearly the only available employees, since the use of the more expensive native labour force or the costs of a foreigner's permanent legal employment (in terms of time, the costs of legalisation, etc.) were often unprofitable for them. The position of ethnic Hungarian migrants from Romania is quite special in this context as 'co-ethnics' and 'alien labour migrants' at the same time. Both the political and

the everyday discourses (and the relating practices) in Hungary show a huge diversity from the treatment of them as 'ethnic brethrens' to a 'cheap and alien work-force', or a 'reserve army' on the labour market.

Because of the interwoven nature of legal and illegal work, and the formal and informal economy, we have no exact data about the number of foreign workers in the Hungarian construction industry. But from the point of view of this analysis, the wide-spread opinion – due to the lack of inhabitant workforce – among guest workers is more meaningful: if all the workers from Romania or Ukraine would leave the Hungarian construction industry, the result would be the collapse of the sector. A 26-year old man reported the following:

"At my workplace, all the workers are from Transylvania, the building contractors are from Hungary. I use to keep telling them, if we wouldn't be here, you wouldn't succeed. Last year we worked on a shopping mall near to Budapest. In the last days before the completion we were working on the park around the building. We had to work during the whole night, and after it they gave us the same money as for the work during the day. Which worker from Hungary would do it for this money? They can only do it just with us, with the people from Romania or Ukraine. Our presence is not good for the poor Hungarian workers, because we force the prices down. What they do for three hundred thousand HUF, we do it for one hundred thousand. So that's why the poor people hate us, and the rich people are forcing us, this is the result."

In recent years, several studies were made on the labelling practice concerning ethnic Hungarian migrants from Romania in Hungary, since the categorisation of them as 'Romanians' is a quite frequently mentioned experience in their accounts (see: Fox, 2003). In the context of the labour market, the 'Romanian' or 'Transylvanian' label is often perceived as a stigma – just as any other national, ethnic or class-category which entails the connotation of a cheaper and alien workforce. The migrants shape their image on the Hungarian majority and vis-à-vis themselves as a result of this interaction. The experiences connected to differentiation and alienation are phrased in impressive stories. As a 34 years old employee from Oraşul Gheorgheni/Gyergyószentmiklós city mentioned:

## Losing the Sense of Home

When going home for vacation I always look forward to the food, the forest, the summer heat or winter snow, my family and friends. However after a few days I have to stumble across the nervous people in rush, cheeky saleswoman in a shop, aggressive drivers and in the end I am kind of glad to be returning to our apartment in the laid back town.

But do I really want to go back home? When I watched the news on our most popular tv station yesterday I did not know if I should laugh or stare in disbelief. First of all the news was presented in such an unprofessional manner. Some of the entries did not make any sense: they did not even answer the basic journalistic questions Who? What? Why? When? How?... and also left me wondering why some of the stories were included in the main news if they could barely make it to the regional news.

And that is just the form. I'd rather not talk about the contents of the day to day life. I don't want to be negative on a Sunday afternoon.

The question is: "When I get back will I be able to at least partially barricade myself against these negative influences and live my life the way I want? Or is it impossible and we should move to New Zealand? (I still have a bag full of immigration materials from the Down Under Expo) But that is just one of about 5-6 alternatives that are constantly changing.

Yes I have family and friends back home and they always make the greatest effort when we are back home to meet with us and have a good time. But then when we talk on the phone they confess they have not seen each other in 2 months because they just have no time. They also quite often say we are insane to want to come back. Some of them though have the opinion that there is another world to the one presented in the media.

I know Ireland is not the country I could spend the rest of my life in. I am not sure if the joy of returning home will not be short-lived. I don't know where my home is. Sometimes I think there are pieces of my home scattered around the different countries I went to. Is home the people around you or the feeling you have inside? **Jana 25.02.2007**

"I felt distress, that I'm looked down upon here because I speak with a Transylvanian accent in a public place. I was embarrassed if I had to go to get the permits, I asked my boss to come with me as well, even though I could have done it alone. I only discovered quite late that I can stand on my own feet and I don't need help. Sometimes I didn't have enough self-confidence. Maybe sometimes I couldn't take it that I'm Transylvanian. I had no atrocity because of this, and I never felt ashamed about it, but if they didn't ask it I didn't tell it. There were so many negative stories, so I didn't want to make a big deal of it. There was some bad news about Romanians, it could be heard almost every day and sometimes people are stupid enough to think that everything and everyone related to that country is bad. There was a pub called 'Matróz Kocsma' on the bank of the Danube. That was the haunt of Transylvanian workers. There were scuffles sometimes, and I heard that these were always announced in the police news. I met Hungarians several times who said that these bloody Romanians knocked out each other out again. So I thought: I will not advertise myself."

#### Uniting the Nation: the Local and Nationalist Meanings of a Commemorative Ceremony

It is one of the common-place understandings of nationalism studies that national belonging and self-awareness is something that has to be made and remade constantly through mediums like education, museums and also rituals or public ceremonies (ANDERSON 1983). However, such developments in the promotion of national cultures are connected to former – usually 'non-national' – cultural forms that are supposed to be effective elements that become the basis of evolving nationalist practice. That's one possible form of the overlapping relation between religious and nationalist interpretations even for the very same celebration. After 1989 in Eastern-Europe the public rituals and commemorative ceremonies were among the most important sites for the public representation of renewed national ideas and self-definitions (FEISCHMIDT, BRUBAKER 2002). The significance of such public rituals was even higher in those post-socialist settings where the political change happened without any form of explicit violence or revolution. The incorporation of national or nationalistic issues into formerly religious ceremonies is one type of these developments throughout the post-socialist Eastern-Europe. In this chapter, I discuss a special form of ritual which accompanies the temporary re-

turn of migrants to their sending communities. The 24th of August (or 'Bertalan's Day') in the Transylvanian village Szék/Sic was a local religious event before its transformation into the ritual re-integration of migrants. The outcomes of this transformation can be also interpreted in local (in the sense of re-integration) and in national levels of identification.

Bertalan's Day in Szék/Sic was a religious holiday before becoming a symbolic political performance charged with national meanings. Originally, Bertalan's Day was a commemorative ceremony of the villagers' martyrdom that happened in 1717 during the last raid of the Tartars in Transylvania. There were 600 victims of the attack in the village, with only 100 people living through it. The survivors decided to have a resolution: since then the villagers of Szék have a fast (eating only maize) and three worships in their Protestant church every 24th of August. During the worship the village priest talks about the importance of perseverance and reads an old text that was written after the Tartar demolition as a memorial by the priest of that time. Nowadays for most of the villagers Bertalan's Day also provides an occasion to return from their migration – for example in 2002 approx. 80 % of the adult inhabitants were abroad as household servants or workers at construction sites in Hungary. The village is among the popular sites for Hungarian tourists (from Hungary) who are searching for remote and ancient places in Transylvania where the sense of an archaic (Hungarian) culture lives on; where at least the older generations still wear their traditional costumes and the sounds of the local folk tunes are audible. However, nowadays Szék/Sic is not so 'remote' in the sense that is connected to the capital of Hungary through the vans of local entrepreneurs on a daily basis, and the inhabitants of the village often know more about the current sales in the Budapest shopping malls than their visitors.

In 1999 the leaders of the village decided to 'bring out' the commemorative ceremony from the church and to complement it with 'secular' festivities. In this case 'secular' means transparently 'political': they built up an open-air wooden stage in the centre of the village to have an appropriate site for political speeches and other festivities. Since 1999 the commemorations of Bertalan's Day are integrated into the broader process of the Hungarian nation building among the ethnic Hungarians in the neighbouring countries. On the 24th of August 2002 the former Hungarian right-wing PM Viktor Orbán was also

among the guests. Foremost, this transformation of the event required the extension of the ceremonial discourse from a local scale to another one, which is meaningful in national terms. This discursive change was initiated by the politicians of the Hungarian minority in Romania who were invited to make speeches, but later – as Bertalan's Day became prestigious enough to also invite politicians from Hungary (or in other words: the 'mother-country') – the discursive and ritual transformation was continued via the representatives of the right-wing Hungarians. Their discourse

## Stages of Settling Down. Roses and Thorns 2

As I mentioned in the last contribution the process of settling down in a foreign country can be seen as a sequence of different stages. It is very interesting to stop at certain point of time, look back and analyse how things went and how I felt. I have already mentioned the first settling stage which can be characterised by blind enthusiasm and overwhelming amounts of energy. I also dropped some hints about what follows afterwards.

One cools down and enters more realistic and pragmatic state of mind. I have already mentioned some of the most significant cooling factors: searching for accommodation and language challenges of tri(multi)lingual Luxembourg. But of course, there were more. Today I will say something about social contacts and particularities of my social life in Luxembourg.

In Luxembourg there so many foreigners and immigrants that one does not have to feel really strange at all, if one knows the right places it is not difficult at all to join an international community (by the international community I mean a group of people who came here to work, not necessarily to settle down for life and who live somehow detached from the local reality). If one is not interested in real life of the country, he or she can rely completely on international community and lock him/her self in it.

As I said there are plenty of people around and after I arrived I was really happy that there are so many people of my age around. But soon enough I realised even if it is very easy to see people it is a bit more difficult to meet someone whom I could or I would like to see again – someone which whom the contact would not stay at the very superficial "how are you-fine-fine-will have a drink together one day" basis.

What is very interesting here in Luxembourg is very small occupational variety among international people living here. The main part of this international crowd consists either of people working in banks, insurance and audit companies or people working for the EU institutions. Please, do not think that I think that people working in the banking business or for EU institutions are all the same and that their characters, interests and life styles should be deduced from the job they are doing. However... they have some common features and naturally they tend to stick together and cluster.

Thus, if one is not a part of any of these big groups, one might feel

was based on the former local and religious one in the sense that the notion of 'perseverance' remained its core element but with new connotations: evidently the unit of those people who have to maintain themselves as a community was not the villagers of Szék/Sic anymore, but the 'Hungarian nation' as a whole. According to one speaker, "This village teaches us that we can only survive in the form of a community and not as individuals". From 2002 most of the villagers came to consider themselves as 'right-wing supporters' in terms of the internal political context of Hungary. The crucial point here is the development of their identification and self-understanding as 'Hungarian right-wing supporters' in a context which has seemingly nothing to do with the internal political struggles of Hungary.

One possible answer for this question can be provided by the concept of ritual as a performative act providing powerful definitions for the participants (TURNER 1969). In the course of such performances otherwise hidden or unreflected meanings of identification and belonging are made explicit and strengthened by symbolic tools. The power of such definitions derives from their ability to remain valid after the time and outside the space of the ritual. The arrival of national discourses from Hungary to the village of Szék/Sic is a part of the broader import of goods and information that characterises the border-crossing activities between sending and receiving societies. Some of the frequent experiences of ethnic Hungarian guest-workers in the Hungarian labour market is due to their unequal position and often lower salaries for the same work compared to Hungarian citizens. Such degradation is often accompanied by incidents when they're labelled as 'Romanians'. The social positions evolved by such incidents are even more polarised by the fact that these migrants are claiming the same national identity as those people whom they experience 'on the other side' of these encounters. Nevertheless in the ritual process of Bertalan's Day – and through the 'mediation' of the invited politicians – this unequal and often humiliating relation seems to be turned on its head. As one politician from the Hungarian conservative party Fidesz claimed in his speech on Bertalan's Day 2003: "We are the ones who have to learn from this community, and all our fellows who remained on this side of the border, we should learn from them!"

In the transformation of the celebration the invited Hungarian politicians have a crucial role: they are supposed to be the 'masters of the ceremony' who explicate the communities own values,

and who have credibility to do so. The ritual process of Bertalan's Day poses the principle of being a 'real Hungarian' – something that is apparently the villagers' own property as a traditional and also marginal community which 'saved its moral values over the course of history'. The everyday experiences of these people as labour migrants in Hungary and the roles attributed to them in the ritual are strongly oppositional. The 24th of August is a day when they stay at home as a united community, while politicians from Hungary arrive to visit them and to perform symbolic political gestures such as the 'empathy towards our co-nationals living in alien countries' or their willingness to feel with them.

The performance of politicians on Bertalan's Day is involved in the ritual re-unification of the villagers – migrants and locals – through common national understandings. Nevertheless the political project of the ceremony should be rather interpreted as a ritual exchange. On the one hand the politicians are participating in the ongoing construction and re-construction of a positively valuated identity of the villagers that is opposed to their everyday experiences. On the other they are also gaining symbolic power and legitimacy through the performance as they present the villagers as the 'real Hungarians' which provides usable symbolic material for their

arguments – and also for their policies to expand the ties of nationally defined solidarity beyond the borders of their nation state.

In sum, the symbolic exchange of the ritual is based on practices that are mutually segmented from the everyday life or the structural positions of the participants. These practices are elementary tools in the construction of a symbolic space where the idea of the 'unifying national origin' seems to be the only relevant source of social categorisation – despite all of those everyday situations in which social divisions are based on completely different principles and the very same notion of 'common belonging' fails to operate as an effective counter-force of the exclusive labour market rules. Concerning the ethnic Hungarians from Romania there are several meanings and practices, from the alienation of the migrants in the receiving country to their treatment as 'ethnic brethrens' in nationalistic political discourses. The case of Bertalan's Day could be taken as a meaningful example for the ways how such contradictory forms of social categorisation appear and interfere in the space of the migrant's homecoming rituals.

#### Bibliography:

- ANDERSON, B. 1991. *Imagined Communities: Reflections on the Origin and Spread of Nationalism*. London: Verso.
- BRUBAKER, R., FEISCHMIDT, M. 2002. '1848 in 1998: The Politics of Commemoration in Hungary, Romania, and Slovakia'. *Comparative Studies in Society and History* Vol. 44. No. 4, pp. 700-744.
- FOX, J. E. 2003. 'National Identities on the Move: Transylvanian Hungarian Labour Migrants in Hungary'. *Journal of Ethnic and Migration Studies*. Vol. 29. No 3, pp. 449-466.
- MASSEY, D. S. 1987. *Return to Aztlan. The Social Process of International Migration from Western Mexico*. Berkeley-Los Angeles-London: University of California Press.
- TURNER, V. 1969. *Liminality and Communitas. The Ritual Process: Structure and*

# Ukrainian Labour Migration to Poland

MIROŚLAW BIENIECKI

Since the breakdown of communism and appearance of the first manifestations of a free market economy, Ukrainian labour migrants have constituted a vast majority of all foreign workers in Poland. For the past few years the number of Ukrainians in Poland has significantly decreased; although they can still be met on many construction sites around major towns and Ukrainian cleaning ladies and babysitters are present in many middle-class homes, it is clearly visible there are less Ukrainians than there used to be. Why did it happen? What makes Poland an unattractive target for Ukrainian labour migrants? Does Poland suffer for a lack of them and if yes – what can be done to attract them back to Poland? These are just some of the questions that can be raised in this context. In order to answer some of them, it is worth to show how the short history of Ukrainian labour migration to Poland has developed.

## A Brief History of Ukrainian Migration to Poland

Ukrainian economic migration to Poland started with the beginning of the 1990s, when the border regime was liberalised and both countries entered the process of free-market transition. Poland had begun the changes earlier and from a relatively better position, Ukraine followed slowly a few years later.

Since the beginning of 1990s, Ukrainians have been travelling to Poland selling various goods which they carried through the border. Very quickly, they became an important element of the social landscape in all Polish border towns and the surrounding villages. It started with small

cross-border traffic and reached its peak after 1996, when Poland and Ukraine signed an agreement that allowed Ukrainians travel to Poland without a visa. Since then, and until the end of the 1990s, Poland has faced hundreds of thousands (according to others: millions) of Ukrainians coming to sell, buy and work (i.e. IGLICKA 2000). The border traffic was then dominated by 'ants' – people crossing the border there and back many times a day, each time carrying the 'legally allowed amount' of spirits and cigarettes (1 litre of vodka and 10 packs of cigarettes) and other goods that they were later selling on local markets close to the border (BIENIECKI et al 2003).

This was a wide-spread phenomenon that had been observed all along the Polish–Ukrainian border. A short time after the opening of the border, Ukrainian traders had reached not only towns and villages located in the border region, but also towns further from the border. According to the research carried out at the end of 1990s and the turn of the century (i.e. BIENIECKI 2003), in those days Ukrainians had been selling practically everything (although the most visible were those who sold alcohol and cigarettes). They stood nearby market places, bus stations and other busy places. It was a common view to see cars approached by groups of Ukrainians offering their goods; the local people gave these places names such as 'Ukrainian McDrive'. Besides the excise goods, one could buy there practically everything. As one of the inhabitants of a near-border town put it, one could buy: screws, curtains, handicrafts, rough made goods, simple tools, bad quality but cheap food, agricultural products, concrete, nails, batteries, furniture, cameras, binoculars, clothes,



everything that you could not buy in Poland or was very expensive they were selling for pennies (BIENIECKI et al 2003).

Until the end of the 1990s the differences in salaries between Poland and Ukraine were so significant (USD 20-30 per month in Ukraine compared to over USD 200 in Poland) that any kind of work in Poland seemed very attractive for many Ukrainians, especially because the western regions of Ukraine faced many economic challenges, including the fall of collective farming, restructuring of coal mining and the collapse of the pension system among others. Therefore, those who came to sell goods on the local markets very often ended up also selling their labour – getting hired by Polish private people and entrepreneurs predominantly in the area of construction and agriculture. Out of those who found jobs in Poland only a few worked legally. A vast majority enriched the grey zone economy.

With time, mainly because of growing prices in Ukraine and the appearance of supermarkets in Poland, the 'Ukrainian market' played a less and less important role. The supermarkets were new for Poles and they offered a similar variety of goods for competitive prices. Soon Ukrainians also started buying goods there and 're-exporting' them to Poland (because they could retrieve the VAT tax when they declared taking goods abroad, many of them were bringing the same goods back and then selling them on the market for a lower price). This phenomenon did not last for a long time, most probably because of border controls becoming stricter and stricter.

Since the introduction of visas for Ukrainians in 2003, the border traffic has changed and many of the 'Ukrainian markets' have disappeared from local landscapes. Nowadays, practically only alcohol and cigarettes are still carried across the border. Moreover, because of the new visa regime, the structure of the traffic has changed and now more Poles (who do not need visas to enter Ukraine) are 'the ants' rather than Ukrainians. The shrinking role of cross-border traffic has been accompanied by more and more Ukrainians travelling further from the border, to larger cities (mainly Warsaw) and agricultural regions (i.e. Warka, where there are many orchards offering a chance to work in agriculture).

Similar to the border trade, the employment of Ukrainians has been dominated by grey zone economy activities. The scale of this illegal employment has never been properly estimated. In the last years, depending on the season and institution that was conducting the assessment; the

## Have My Life Ambitions Changed Since Moving Abroad?

Because I have never taken any proper job in my home country and spent a lot of time on the road, I can not really talk about any decay of personal status when I arrived in the UK. On the other hand, I must admit, I don't think I would ever do my current job at home. Perhaps I am too ambitious for that. The position of a Support Worker is not very high on the imaginary status scale in the Czech Republic. There are several reasons for this: 1) In my opinion this field is traditionally perceived as a female job, 2) I don't think I could live on money earned in this sector, especially as a breadwinner, 3) the social system in the Czech Republic is not so generous as the British one so job opportunities are limited, 4) this job is a quite challenge for me in regards to the English language, but it wouldn't be in Czech, 5) I don't particularly like this job as I feel there are no more things to learn or improve.

I can say that I keep this job in order to earn some money (how soulless). I spend time in an English speaking environment to improve my language skills. Next, it is quite difficult for me as a foreigner to find a post where higher skills and responsibilities are required. However, I'm ambitious enough to want to change my situation. Therefore, I went for a few job interviews, though I haven't been successful yet. I'm positive about one thing. I'm not going to be a Support Worker for the rest of my life. **Radek 06.02.2007**

numbers of Ukrainians on the Polish labour market fluctuated between 50 thousand and 300 thousand (i.e. IGLICKA 2000, FRELAK 2005). They work predominantly in the sectors that do not require any special skills and qualifications: manual work, petty-trade, simple services, etc. – in general, they are involved in those activities that are not particularly attractive for Poles.

Ukrainians, who live and work in the suburbs of larger cities, are employed mainly as construction workers, household help and babysitters. With regards to the Polish labour market, research shows that Ukrainians do not create any real competition for Poles (BIENIECKI et al 2004). In fact the market for household help, developed in big cities like Warsaw not because of a special demand, but because at a certain moment Ukrainians appeared and offered these services thereby creating the market. This has also happened with child care. Construction labour is slightly different. There has always been a grey zone in construction in Poland and Ukrainians are employed simply because they are cheap and because a lack of Polish workers is clearly visible in this sector.

Besides the Ukrainians involved in small trade and 'second sector' economic activities, two

other categories of Ukrainian migrants in Poland should be mentioned as being clearly distinguishable and growing in number over the past several years: professionals (including chairmen of various companies, commerce representatives and businessmen) and Ukrainian students at Polish universities. Increasing numbers of representatives of these two categories of Ukrainian migrants in Poland signifies a quality change of Ukrainian labour migrations on the one hand and reflects positive changes in Ukrainian economy itself on the other.

#### Perception of Ukrainian Migrants in Poland

In many terms, Ukrainians are the perfect immigrants for Poland. They are culturally alike, speak a similar language, live close by and – in a vast majority of cases – do not intend to stay permanently. When they do – they melt in rather quickly and are undistinguishable from Poles by the second generation. Moreover, they have quite a well grounded position in Poland: they already are present on its labour market and they are accepted by most Poles. Moreover, up until recently all ideas for the liberalisation of the Polish labour market for foreigners has put Ukrainians in the first place. It seemed a given that when politicians talk about opening the labour market for teachers, nurses, labourers, they think about opening it for Ukrainians. Their perception by Poles has been rather positive and they generally have not been perceived as a threat to Polish workers.

#### How Did I Get Where I Am

I see the same faces on the bus every day. I think I have two more stops, so I'm just sitting here thinking. Did I make the right choice giving everything up when I came to Hamburg?

I know one thing: had I stayed in Budapest, I would never have been able to rent my own flat, or lead such a comfortable life as I do now. But there were, of course, negative aspects too. Like when I had to wait 6 months to get a job pleading every day at the Job Centre or having to work nights at a factory. But I think it's all been worth it in the long run.

**Attila 22.11.2006**

#### The People I Meet at Work

People from abroad I met at work were usually in their mid to late twenties, have the advantage of speaking English+other language, with university degree or just having a break from their studies. Unless they have met love of their life here in Ireland most of them planned to move on after 2 to 4 years. I actually have not yet come across an immigrant who would plan to settle down for good. **Jana 10.01.2007**

A study conducted among Polish labourers working in the sectors where the greatest number of Ukrainian workers were present (see BIENIECKI et al 2004) confirm that they are rather filling gaps in these sectors than creating a real competition for Poles. The majority of respondents participating in this study agreed that they are present mainly in market niches performing jobs that Poles are not likely to perform, at least not for the given price. In this sense, they are in a situation similar to the situation of many other immigrant workers around the world. The Poles understand it perfectly well, as many of them had worked under similar conditions in Western European countries themselves or know other Poles who do it now.

Ukrainians are not perceived as significantly cheaper workers than Poles: very often, they are working for a similar price and are chosen for work because they are at least as good as Poles, but, in many cases – more reliable. Even Polish construction workers pointed out that in general Ukrainian workers in this sector are more valuable workers than Poles as they are better motivated. As one of the Polish respondents put it:

"These are people who come to Poland with a clearly defined goal – they want to work, they want to find a good work and they want to make money. (...) It is the same as when Poles go to Germany: Germans do not want some to do work; it is not paid well enough, so Poles take it" (BIENIECKI et al 2004).

Besides this, they are not treated as a threat because there is a huge demand for labour in the sectors mentioned where Ukrainians do work. In this context, all that Polish workers are concerned with is that Ukrainians do not accept work below a certain price and do not 'damage' the market. Such an attitude is the result of contestation that has been expressed by many Poles in this sector – that unemployment is 'a fiction' and that there is enough work for both them and immigrants. Most respondents in the conducted research agreed that Ukrainians should have the possibility of a legal employment in Poland.

Recently, published results by CBOS research (CBOS October 2006) confirm that a great majority of Poles (81 %) accepts the presence of foreigners on the Polish labour market. Moreover, one third of them (34 %) agree that there should be no restrictions on them. To compare – only 13 % are against foreigners on Polish labour market. This acceptance of foreign workers has been growing steadily since 1992 and it is partially the

result of becoming accustomed to Ukrainian workers in Poland, as the Ukrainians are in most of the cases a synonym of a foreign worker. Such a situation is visible especially in the sectors which absorb a majority of these migrants: construction, household help, and agriculture.

The cited research results show not only a positive attitude towards migrant workers, but also reflect on a wider issue of a growing demand for labour in Poland. The question that can be raised in this context is how should a Polish migration policy look in order to attract foreign workers to work in Poland, so they would work legally rather than in the shadow economy?

#### Ukrainians as an Opportunity for Polish Labour Market

As it was pointed out before, as of today, the majority of Ukrainians stay in Poland legally (on tourist visas) and work illegally. Compared to the few hundred thousand that work in Poland, there are only around 3,000 work permits given every year. Most Ukrainians do not even try to apply for work permits, partially because work permits are very difficult to get (the procedures are long, complicated and costly). In fact, it is practically impossible to get such a permit; moreover, many Ukrainians do not even want to obtain a permit because that would mean having to pay taxes and in that situation, they would not get much in hand and so would be much less competitive. Moreover, even though most of the estimates (i.e. IGLICKA 2000, FRELAK 2005) point to a few hundred thousand Ukrainians working in Poland illegally, in reality, they constitute only a small part the Polish shadow economy that is estimated to contain almost a million people and produces about 15 % of the country's GDP.

During recent years, since visas for Ukrainians were introduced (October 2003), there has also been a growing number of Ukrainians who reside in Poland illegally. They come on tourist visas, find work, overstay their visas and thus become permanent illegal immigrants.

This entire situation demands some kind of regularisation and institutional solutions that will not lead to problems of a growing number of illegal immigrants in future. Moreover, the situation on the Polish labour market has changed over the last few years: faster economic growth has resulted in companies demanding more workers and, at the same time, many Poles have migrated to Western Europe. As a result, many sectors started lacking workers – both qualified and unqualified. For example, the construction

#### Losses and Gains

If someone was to ask me whether there are some things that I miss or do not miss at all about the Czech Republic and the way of life over there, I would not have to think too much to come up with exactly what I miss. Regarding things I do not miss or I did not like very much about my home country, my answers would need a bit more thinking.

Thus, I start with easier part – what do I miss? I miss my family, regular in person contact with its members; my friends and the possibility to see them without so many arrangements or planning in advance; comfort related to the fact that I know how things work in my home country and how I can arrange what I need in an efficient way; safety stemming from the fact that there are always people I can turn to and who will be able to reach me and help me within a very short period of time; sharing the common cultural background and chronically known stories and rituals; the smell of early spring at my parents garden; the taste of grand mother's cherries and apples; the hug of people who have known me for decades... I could continue and name hundreds of very particular things, which I somehow lost by choosing to live abroad. However, these losses have been and are being compensated by some gains. These gains make me to stay where I am now and not to be too frustrated about things I had to somehow give up. **Marie 14.03.2007**

sector alone needs 150-200 thousand workers that they cannot find in Poland. A similar situation concerns agriculture. Labour agencies search for welders, mechanics, electricians, iron-workers. As finding workers becomes more and more difficult, it seems that the only way to solve it is to open the economy for immigrants from other countries. And, Ukraine appears in this context as the closest and most natural source for immigration.

The demand for foreign workers has become a subject of government interest just recently; after years of ignoring the issue, politicians started to refer to it and publicly declare solutions. Up until recently, immigration has not been a topic of public debate at all. Today, when the media often refer to various ideas that the government may implement in order to enable the legal employment of foreigners, a chance that a change will happen has appeared. The first sign of this new way of thinking was the implementation of regulations allowing seasonal work for migrants from neighbouring countries, including Ukraine, Russia and Belarus. The new regulation, implemented on September 1st, 2006, has allowed citizens of these countries to perform seasonal jobs in agriculture without a work permit.

Opening a seasonal market in the agricultural sector did not solve the problem of a lack of labour force whatsoever, but it shows that im-

plementation of such de-regulations are possible and that the government can accept it. The next step was the opening of the Polish labour market for all citizens of all the EU and EFTA member states in January 2007. These actions show that the Polish government pays attention to the problem and that there is a climate for further liberalisation.

However, there is still no clear declaration how such liberalisation will look and the existing procedures remain unclear, time-consuming and costly. On the other hand, Poland seems to have lost a chance for satisfying its need for foreign labour by opening its market to Ukrainians. Ukrainians did not wait for the outcome of the Polish government's long-lasting decision making process, but meanwhile they chose other directions of migration: i.e. Russia, Portugal, Spain, Italy...

## Conclusions

Assuming the necessity of supplementing the Polish labour force with foreigners, in order to 'win' Ukrainians, the Polish government should perform significant actions making their em-

ployment in Poland much easier and attractive. Among many proposed solutions to the existing problems, the strictest attention should be paid to three issues: introduction of easier procedures related to obtaining a work permit for a foreigner, lowering the costs that both employer and a potential employee have to bear, and regulation of the status of those who are already in Poland.

Considering the geographical proximity of Poland and Ukraine as well as the fact that many Ukrainians already are working in Poland and are very well received here, it is worth focusing on Ukrainians while thinking about opening the Polish labour market for foreigners. Introducing the mentioned changes would also allow for a better management of migration and better the situation for Polish companies. On the other hand, regularisation and a possibility of legal employment would give a chance for many Ukrainians (and other foreigners) to leave the shadow and join the mainstream economy. If the change does not come quickly, tomorrow Poland will not have a choice but to look for workers in such countries as China or Vietnam.

## Bibliography:

- BIENIECKI, M. et al. 2003. *Polish–Ukrainian Border Regions in the Perspective of Polish Integration with the European Union. Diagnoses and prognoses*. Warsaw: Batory Foundation/PAUCI.
- BIENIECKI, M. 2004. 'Przybysze z Ukrainy i ich praca w opinii miejscowych liderów'. in: KURCZEWSKA J. (ed.). *Oblicza lokalności. Tradycja i współczesność*. Warsaw: Wydawnictwo IFIS PAN.
- BIENIECKI, M. 2004a. *Migrants from Ukraine in Polish Border Regions. Opinions of leaders*. [www.migrationonline.cz](http://www.migrationonline.cz)
- BIENIECKI, M. et al. 2004. *Migranci na rynku pracy w Polsce. Wyniki badań przeprowadzonych wśród migrantów ekonomicznych i pracowników polskich*. Warsaw: Institute of Public Affairs.
- BIENIECKI, M. et al. 2005. *Regulacja migracji zarobkowej – wyzwania dla Ukrainy w kontekście polskich doświadczeń. Raport z badań socjologicznych przeprowadzonych wśród migrantów ekonomicznych z Ukrainy w Warszawie i okolicach*. Warsaw: Institute of Public Affairs.
- FRELAK, J. 2005. *Ukrainians on the Polish Labour Market – Recommendations for Migration Policy, Analyses and Opinions*. Warsaw: Institute of Public Affairs.
- IGLICKA, K. 2000. 'Ethnic Division on Emerging Foreign Labour Markets in Poland during the Transition Period'. *Europe-Asia Studies*, Vol. 52. No. 7.

# Narratives of Difference and Sameness

## Exclusion and Inclusion of Ethnic Hungarian Migrants Settled in Hungary

ILDIKÓ ZAKARIÁS

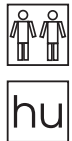
Analysing relationships between migrant adaptation in the host society and identity formation constitutes a major theme of migration research. Among other issues, a significant part of this literature focuses on how forms of social connections between migrants and the host society shape the identification forms of migrants. In this essay I will attempt to contribute to this field, by examining the case of ethnic Hungarians from Transylvania (Romania) who settled in Hungary during the period of transition. Ethnic Hungarians from neighbouring countries constitute the largest group of immigrants in present day Hungary. The movement of people, starting at the end of the seventies, reached its peak between 1988 and 1992, and, though it stabilised at a lower level, it is still a significant current trend of Hungarian demographic processes. Regarding this migration flow, I will examine on one hand how individuals interpret their migration experiences related to successes and failures in establishing social connections and interpersonal relationships, and on the other hand what group identifications are the bases of framing socialising in the host environment.

According to Jenkins (JENKINS 2004) social identities are produced via a dialectical interplay of internal and external identifications ongoing between multiple actors. These symbolic processes concern drawing conceptual boundaries between people and creating categories of them, all this by attributing a difference and sameness to different groups. Although power inequalities will always confine the terrain of these negotiations on group definitions, the actors will always have means to challenge and alter to some

extent the dominant conceptual landscapes. Lamont (LAMONT 2002) shares a similar approach to identity formation when distinguishing symbolic and social boundaries. The earlier refer to conceptual distinctions of objects, people, or other entities, which provide a tool for actors to compete for defining social reality; moreover, they separate people into groups by creating similarity and group membership as well as otherness and exclusion. Social boundaries are objectified forms of symbolic boundaries.

I take a similar perspective and analyse how social identification procedures, the drawing of symbolic boundaries, take place in migration stories of Transylvanian migrants. As different contexts may imply differently relevant aspects of categorisation, I will confine my attention here to sameness/difference construction emerging in relation to the discussion of interpersonal relations with members of the host environment.

Migration of ethnic Hungarians from Romania to Hungary is categorised as ethnic return migration. (For further examples in different international contexts see: BRUBAKER 1998, HEDBERG 2005, SHUMSKY 2002, TSUDA 2001, VASILEVA 1992, KULU 1998, LOMSKY, FEDER, RAPOPORT 2001.) The notion of ethnic return migration refers to the movement of people towards a country where they have never lived before, but consider themselves, and are considered by others, as belonging there on the grounds of common ancestry, an ethnonational belonging. In the majority of cases, ethnic return migrants arrived to Hungary with high expectations regarding solidarity on the part of the host society based on ethnocultural grounds and perceive their journey as an act of



homecoming, as a return to the motherland. However, contradictory Hungarian politics embracing or rejecting Hungarians across the borders in symbolic ways on one hand, promoting their staying in their native lands through ideological and administrative means on the other (FOX 2003), as well as the increased level of social insecurity during the transition period combined with resentment regarding labour migration into Hungary (SIK 2000), resulted in a chaotic landscape of categories of ethnicity, nation and national belonging which emerged in public and private discourses of everyday life in Hungary.

Applying the perspective of symbolic construction of sameness and otherness Jon Fox (FOX 2003) and Gergő Pulay (PULAY 2006) examined how Transylvanian guest workers interpret their experience of exclusion and difference among the conditions of the ethnically segmented labour market in Hungary. According to their accounts, due to both the overethnicised character of public discourses in the society of origin, as well as the Hungarian political elite's ambiguous political discourses on the Hungarian nation and on international labour migration, migrants create a fundamental division between Hungarians from Hungary and ethnic Hungarians of Transylvania along ethnic lines. A similar conclusion of ethnicity becoming the frame of migration experiences of Transylvanians in Hungary is described in the work of Margit Feischmidt (FEISCHMIDT 2005).

I follow the path traced out by the above mentioned authors. While they focused their attention on identification processes in work in a Transylvanian social environment, and as such, the analysed actors are either labour migrants commuting between Hungary and Romania, or they are Transylvanian inhabitants arriving as temporal visitors to Hungary, my aim with this work is to examine similar phenomena among Transylvanians who have settled in Hungary. My questions mainly concern whether ethnic identification framings of migration accounts are also typical among Transylvanians settled and living in Hungary; what are the alternative ways of identification related to interpreting social experience after the migration process; what are the possible explanation factors that may lie behind the appearance of these sameness/difference narratives emerging in relation to the establishment of social ties?

The empirical data I have drawn on constitutes of participant observation and 18 in-depth semi-structural interviews conducted partly in the Transylvanian Congregation in Budapest, an

independent church for Transylvanian migrants living in Hungary; the other half of the interviews were conducted with Transylvanians living in Budapest, reached through a Hungarian internet community.

Drawing on these two data sources helped me to access different types of migrants: first, participant observation carried out in the Transylvanian Congregation, and interviews conducted with members of this congregation provided an insight into the working of identities of persons participating in an immigrant community. On the other hand, based on a Hungarian internet network site where members are subscribed with their own real identities and personal data, I selected a sample of Romanian migrants currently living in Budapest, with whom in-depth interviews were conducted. Although being part of an internet community – admittedly a broad group – it is probable that there will be certain special characteristics of respondents (age, profession), the advantage of the selection method lies in gaining a sample that was not linked to special ethnic networks.

In both samples the general educational level was university degree (with 2 exceptions), professions practiced mostly in the fields of engineering, education, and social work, and in case of the internet community, computer-related spheres. As it could be expected, the age distribution also differed in the two subgroups, interviewees from the church community being on average 10 years older than respondents selected from the internet community (the earlier mainly in their fifties and sixties, the latter mainly in their forties and fifties).

## Results

In relation to the absence of social relationships, respondents often define themselves as different from the locals according to certain features. This essentialisation of groups often occurs as a response to perceived negative (or sometimes positive) external categorisations – in these cases new categories are created placing the respondent in a more favourable position, or the categories themselves remain unaltered, while their meanings are changed. The meanings of categories are usually changed so that migrants associate themselves with morally superior characteristics compared to the host population, and thus, respondents discursively counter-balance the painful experience of exclusion.

According to my interviews, the creation of social ties can also be narrated with the essen-

tialisation of groups; in these cases respondents imagine themselves as moving from one group to another – I shall call these assimilation narratives. The essentialisation of groups might, in another way as well, provide a means to narrate inclusion: for instance if ingroup boundaries are transformed or set so that the place of origin and host society then belonged to the same category (as opposed to some another outgroup). (These comprise the strategies of stigma transfer, or transfer of ingroup values.) A third way to describe inclusion is to negate group boundaries, and refer to universal and individual responsibilities in establishing personal ties. In cases of negative external categorisation, the strategy of privatising, concealing group membership might also be a potential way of avoiding exclusion. In what follows, I will examine what are the contents and meanings at stake for my interviewees when applying one of the above strategies. According to whether the (real or perceived) experience of exclusion or inclusion dominates the migration story of respondents, two major clusters have been identified in our sample.

#### Exclusion Framed in Ethnonational Terms

The first set of respondents comprises of people, (7 from the church congregation, and 2 from the internet network) for whom their moving is interwoven with the experience of exclusion and refusal on the part of the host environment. Their major reference category of identification is Transylvanian Hungarian, which is always described in relation to the Hungarians of Hungary.

For these migrants difference-narratives between themselves and the host population dominates narratives of migration and identification in the host society.

First, the absence of community values, such as caring for others, respect and appreciation of social relations and time-management are a major target of complaints. The failed efforts of making Hungarian friends either at 'workplace' or in the neighbourhood are typical elements of these interviews, which will often evoke narratives on the warmer and more caring character of Transylvanians. These experiences might partly originate from regional differences of the structures and character of social networks related to modernisation patterns. (For related research see: KAPITÁNY 1996, BIRÓ 1994).

"Even at work you can't form friendships. There might be some people who succeed in this; I'm not one of them. I never socialise with colleagues,

#### Fragile Nets

As I mentioned already there are many foreigners living in the Grand Duchy and those foreigners tend to move a lot. Here one must get used to flux friendships. During the 4 years I have stayed in Luxembourg

I had to say goodbye to many people who became close to me. If I have a look back at friends and acquaintances I was regularly meeting during first months of my stay in the Grand Duchy, and I check how many of them are still here, I am really astonished by my findings. There are only two people left from lets say twelve. Those other ten simply left. They found another job somewhere else, moved back to their home countries or went to study abroad. And this repeats itself with such a striking regularity that I am already taking this 'risk' factor into account whenever I meet new people.

Therefore, one of the questions I learned to ask people when I am introduced to them, is for how long do they plan to stay in Luxembourg?

I have to honestly say that it is rather tiring for me to have to rebuild my social net almost every year. There are moments when I realise that almost everyone I knew is gone and if I want to see some people

I simply have to make some efforts to 'replace the losses'. Maybe it sounds pretty cynical and pragmatic, but I think that everyone who has ever lived on his own in a strange environment would agree that one simply needs to see other people and talk to someone. And in a foreign country, especially where people come and go very easily, nothing can be really taken for granted and one must make some efforts to have at

least some people around to rely on. **Marie 21.02.2007**

never. So I must say it again: this is a selfish nation. They are greedy even about spending time together." (43 years, engineer).

Second, the experience of difference will also be tied to the migrants' unfavourable positions on the labour market. As Fox (Fox 2003) and Pulay (PULAY 2006) have described, migrants, especially in the beginning of their residence, possess less economic and social capital, and at the same time less rights than citizens of Hungary, and this unequal position will inevitably lead to the pressure to work in less favourable conditions than locals. This situation implies hostility towards migrants and the stigma of stealing work from locals. My interviewees have also given accounts of these experiences. A strategy to face this type of rejection is to reinterpret the accusation in a different manner: Transylvanians are described as more hard-working, persistent and skilful than local inhabitants.

"[Our colleagues] were staring at us as if we had taken away their daily bread. There was the three of us from Tîrgu-Mureş. They were so

envious of us. It's obvious, they don't like us in reality. Believe me, a real local really can't stand Transylvanians. They say we have taken away their jobs. Though this is not true. It's that people just don't want to work." (64 years, baker)

In our interviews, the difference-perception described above is often interwoven with narratives about ethnicity and national belonging of Transylvanian migrants.

One of the basic values emphasised through the interviews is their Hungarian ethnicity; its role, however, is much wider: it becomes a language, a narrative that offers a frame to interpret migration and settlement in the host society. It seems that this ethnic scheme is analogously activated to describe the position in the origin and

host society, implying a double-minority narrative. According to this, Hungarians of Transylvania are refused in Romania due to their Hungarianness, and are also refused in Hungary, either as Romanians or as far-right nationalist Hungarians accused of assigning too much importance to their national identity. According to these narratives, exclusion is frequently interpreted as ethnic exclusion of Transylvanians and a major strategy to face it is reinterpretation of the meanings of the categories: the positive value of ethnicity will be underlined, and a stronger sense of ethnicity is assigned to the ingroup. Situations of being called Romanian is a major narrative in these accounts, but this experience (be it personal lived experience, or reference to stories heard from others about such cases) is often reversed: the Transylvanians become the real Hungarians, while Hungarians of Hungary are categorised as non-Hungarians, foreigners, or minorities.

### I Do Not Want to Remember Where I Was Born

One week ago in *Polski Herald* (a newspaper we collaborate with) they published the story of Polish girl ashamed of her Polish roots. One man described the very controversial conversation.

The title of the text was: "I do not remember where I was born". The heroine of the article, very well educated young person with perfect English and a well-paid occupation, confides to the interlocutor her aversion to compatriots and Poland: "that province of Europe... I achieved a high social position and acceptance of new friends, new environment. It is shame for me to see and meet all these Poles who live in hostels, drink vodka and work for the lowest salary. They do not learn English or their English is just pitiful. They parade around the city with bags with the names of the cheapest shops" – she told with contempt. "Basically, I never mention my origin country; there is no reason to be proud of it."

Finally, Ann (her name is Ania, but she only uses English version to hide the origin) related the situation when she met an old university friend from Poland. The meeting took place in the restaurant, during a party organised by the company she works for. Ann was in exclusive company, he was a waiter in there. He recognised her and she recognised him as well, but... "it was true shame" for her. New Irish friends, new wonderful world and suddenly the ghost from the shameful reality.

The text has met with storm and bitter responds. A lot of Poles recognised in this anonymous person mates who follow the same path of 'amnesia'. Ann's figure it is the symbol of certain kind of people who succeeded and want to forget an uncomfortable past.

What was surprising for everyone, and unexpected as Polish people usually complain so willingly, started to look on the 'brighter sides' of being a Polish citizen. Letters were not aggressive, but full of positive and optimistic points. We had an impression that they started to see things as they are, objectively. Anyway, that was at last something constructive... in our drift between Scylla of inferiority complex and Harybda of superiority complex. **Klementyna&Wojtek 12.03.2007**

"My destiny has taken me to neighbourhoods, where I was many times called Romanian, many many times. I always told them that it is very easy for them to bark from here, for those whom Hungarianness means nothing. For us it was a daily struggle to preserve our Hungarianness. Here you are self-evidently, how to say, you are self-evidently non-Hungarians. You don't understand what it means to be Hungarian." (engineer, 48 years)

Predisposition to use ethnicity as a major framework of interpreting social realities is partly rooted in ethnonational public discourses on the society of origin: first, in the ethnonational chauvinism of Ceaușescu's dictatorship towards national minorities of Romania, second, as a response, in the establishment of a quasi-national discourse in the Hungarian minority society of Transylvania comprising of the salience of everyday ethnic categorisations, a special ethnic vocabulary of collective representations, and the establishment of a Hungarian minority institutional system. (For extensive discussion on these see: BIRÓ 1998, KÁNTOR 2001, LŐRINCZ 2004).

The major experience of exclusion may be both the result and the cause of these migrants being locked up into diasporic communities: the majority of their friends and acquaintances are migrants from Transylvania, or other Hungarians from the neighbouring countries. Some of them, however, also found their ways to new friends from Hungary with 'national sentiments'. In the latter case, Transylvanian origins and strong eth-

nonational identification constitute a major resource which helps the migrant get into special subcultures of the host society that are sensitive towards these traits.

"It is even more difficult to establish friendships with those from here. I socialise with Transylvanians. And I have a few friends from here too, who have strong national sentiments, because this is important for me. In Hungary the national idea is not too popular." (postman, 43 years)

These migrants visit clubs and associations related to Transylvanian migrants, associations interested in Transylvania, or in a few cases organisations aiming to preserve Hungarian traditions and culture. Being closed up into migrant networks offer a partial explanation of why respondents' narratives are so congruent with each other's: these narratives might secede from actual, concrete, personal experience, and become thematised, discussed, discursively constructed reference points to define ingroup/outgroup relations within these Transylvanian networks. External ethnic stigmatisation, and failures to establish social ties after arrival, might mobilise the working of the ethnic scheme, and might stimulate the creation of similar group oppositions as the ones left behind.

#### Inclusion Experience – Diverse Forms of Identification

For the rest of respondents, experience of exclusion is less stringent than in the above described case (two from the Transylvanian Congregation, and six from the internet network). Identification accounts of these migrants are less homogeneous than in the previous group, the similarity of these interviews is limited to the lack of exclusion-narratives in migration stories, while in other respects they show heterogeneous patterns. A major pattern which does emerge is a less intense practice of boundary work when describing migration and post-migration experiences.

Regarding the schemes of identification, some of the respondents may apply the narrative of ethnicity to describe pre-migration and post-migration experiences, i.e. categorising the Transylvanians as having a stronger sense of Hungarianness than the local population. However, narratives around the importance of Hungarian national identification will not be interwoven with the experience of exclusion and refusal on the part of the host social environment.

"We [in Transylvania], we were all standing to attention when we heard the national anthem of Hungary. Once I held a speech at a school ceremony, and a colleague from Budapest came to me, and told me that, you know, this was the first time he felt what it means to sing the national anthem." (teacher, 70 years)

However, in the majority of these respondents' interpretations the ethnic framework is absent; moreover, in some of these cases narratives refusal to identify with the discursive schemes applied by the first group are emphasised, with major reference to denying the central importance of national sentiments (both in the host and in the origin society), as well as denying exclusion experience associated with ethnic and national belonging. Concerning potential life-situations of exclusion (such as the situation of being called Romanian by locals), these are interpreted with strategies denying the stigmatising intentions of the locals by exempting them, or will ironically refer to these situations as more collective representations than real life situations.

"I think that yes, we have some friends with whom this happened. Or if it didn't happen with them, they know someone with whom it happened (laughing)." (engineer, 40 years)

Narratives of differences in traditional community values between Transylvania and Hungary may also appear in some of these interviews, however these are connected to assimilation narratives, i.e. the migrants give accounts of changes in behaviour, norms and viewpoints, ending up on the other side of the divide.

The same can be said about the external negative categorisation of Transylvanians taking away work from locals: while respondents reinterpret the stigma in the form of hard-working and skilful Transylvanians, at the same time apply an assimilation narrative and admit the double interpretability of the terms.

"Hungarians are predisposed to give way to despair. [Transylvanians] are much more persistent, creative, they work out things better. If you project this on the German-Turkish relationship, you find that a German is not happy about a Turk working 10 hours instead of 8. And you understand the German, but you say about Hungarian locals, that they don't understand Transylvanians. So, it is not so straightforward who has the truth. Right now, I have become predisposed to it – in the begin-

ning I was very proud of myself that I made my living here in Hungary, but now, I'm not showing off any more." (computer programmer, 40 years)

In this group of respondents, where inclusion narratives dominate their experience, the Transylvanian–Hungarian division talking about social inclusion and identification is not the only possibility, regional or deterritorialised categories all offer possible alternatives. Describing the migration process as a movement between regions, rather than crossing state borders, constitutes one of these.

Another possible strategy to talk about identification with and inclusion in the host society is the use of non-national, deterritorialised categories, like professional identifications or religious universal categories. In these cases respondents negate the importance of national or regional boundaries that might have been crossed during migration, and emphasise universal solidarities, that enable settlement in any community independently of its location or culture.

"For me it is indifferent, where I live on this Earth. On this level I was never homesick. Always, everywhere I tried to make friendships in the shortest possible time, respecting the others' viewpoints and demanding that they respect mine." (computer engineer, 43 years)

Members of this group give accounts of having both Transylvanian and local social connections, including not only weak but strong social ties. The latter are usually workplace colleagues, neighbours or schoolmates, with whom connections are maintained even after termination of formal relations. The majority of these persons are not locked up in diasporic communities and usually do not attend Transylvanian and migrant associations. Being absorbed in different local environments of the host society might explain the heterogeneity of strategies describing identification and social adaptation in the migration process.

#### Concluding Remarks

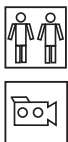
I attempted to investigate symbolic boundary construction and identification processes of settled ethnic Hungarian migrants from Romania. Focusing in parallel on migrants who have remained within migrants social contexts and on migrants who have not, I aimed to analyse how migrants' experiences related to social integration in the host environment are interpreted and narrated. I have found that among migrants

for whom the narrative of social exclusion by local inhabitants dominates the migration story, the interpretation and identification mechanisms will show converging patterns; these patterns are centred around ethnic and national identification and social characteristics assigned to Transylvanian Hungarianness; those characteristics depicting Transylvanian Hungarians as morally superior compared to inhabitants of Hungary. In parallel, we have found that for migrants whose migration stories are not based on the exclusion narrative, identification patterns are much more diverse: the weight of boundary-work itself being less important, the Transylvanian–Hungarian opposition is complemented by regional identifications and deterritorialised group memberships. When categorising migrants and the host population, identification with, and adaptation to, the host environment is illustrated by assimilation narratives, transfer of boundaries or privatisation of group membership. The content of these categories have also been diverse, ethnicity having only a minor segment on the palette of possible identification traits.

# Bibliography:

- BIRÓ, A. Z. 1994. 'Adalékok a vándorló ember ikonográfiájához. Migrációs folyamatok a Székelyföldön 1985-1989'. in: SIK E., TÓTH J. (eds.). *Jönnek? Mennek? Maradnak?* Budapest: MTA Politikai Tudományok Intézete.
- BIRÓ, A. Z. 1998. 'Intézményesedési folyamatok a romániai magyar társadalomban 1989-1995 között'. in: *Stratégiák vagy kényszerpályák – Tanulmányok a romániai magyar társadalomról*. Csíkszereda: Pro-Print.
- BRUBAKER, R. 1998. 'Migrations of Ethnic Unmixing in the New Europe'. *International Migration Review*. Vol. 32, pp. 1047-1065.
- BRUBAKER, R. et al. 2006. *Nationalism and Everyday Life in a Transylvanian Town*. Princeton University Press.
- FEISCHMIDT, M. 2005. 'A határ és a román stigma'. in: KOVÁCS, N., OSVÁT, A., SZARKA, L. (eds.). *Tér és terep. Tanulmányok az etnicitás és az identitás kérdésköréből III*. Budapest: Akadémiai.
- FOX, J. 2003. 'National Identities on the Move: Transylvanian Hungarian Labour Migrants in Hungary'. *Journal of Ethnic and Migration Studies*. Vol. 29. No. 3, pp. 449-466.
- HEDBERG, CH. 2005. *Integration or Assimilation? The Process of Inclusion of the Finland-Swedish Minority Group in Sweden*. 13th Nordic Migration Conference. Nov. 18-20, 2004. Aalborg. Denmark.
- HORVÁTH, I. 2002. 'A romániai magyar kisebbség Magyarországra irányuló mozgása'. *Korunk*. No. 2, pp. 31-48.
- JENKINS, R. 2004. *Social Identity*. 2nd edition. London: Routledge.
- KÁNTOR, Z. 2001. 'Nationalizing Minorities and Homeland Politics'. in: TRENCSENYI et al (eds.). *Nationalism and Contested Identities: Case Studies on Romanians and Hungarians*. Regio Books.
- KAPITÁNY, G., KAPITÁNY, A. 1996. "Kultúrák találkozása – Kultúraváltás". in: SIK E. et al (eds.). *Táborlakók, diaszpórák, politikák* 1995 Yearbook of the Research Group for International Migration, Institute for Political Science. Budapest: Hungarian Academy of Sciences.
- KULU, H. 1998. 'Ethnic Return Migration: An Estonian Case'. *International Migration*. Vol. 36. No. 3, pp. 313-336.
- LAMONT, M., MOLNÁR V. 2002. 'The Study of Boundaries in the Social Sciences'. *Annu. Rev. Sociol.* Vol. 28, pp. 167-95.
- LOMSKY, E. et al. 2001. 'Homecoming, Immigration, and the National Ethos: Russian-Jewish Homecomers Reading Zionism'. *Anthropological Quarterly*. Vol. 74. No. 1, pp. 1-14.
- LÓRINCZ, D. J. 2004. *Az átmenet közéleti értékei a mindennapi életben*. Csíkszereda: Pro-Print.
- PULAY, G. 2006. 'Etnicitás, állampolgárság és munkaerőpiaci kategorizáció'. *Regio: Minorities, Politics, Society*. Vol. 17. No. 2.
- SHUMSKY, D. 2002. 'Ethnicity and citizenship in the perception of Russian-Israelis'. in: LEVY, D., WEISS, Y. (eds.). *Challenging Ethnic Citizenship: German and Israeli Perspectives on Immigration*. Berghahn Books.
- SIK, E. 2000. 'Kezdetleges gondolatok a diaszpóra fogalmáról és hevenyészett megfigyelések a diaszpórakoncepció magyar nézőpontból való alkalmazhatóságáról'. in: SIK, E., TÓTH, J. (eds.). *Diskurzusok a vándorlásról*. Budapest MTA PTI.
- SZAKÁTS, M. 1995. 'Az Erdélyből áttelepült magyarok társadalmi integrációja'. *Társadalmi Szemle*. Vol. 50. No. 5, pp. 69-79.
- TSUDA, T. 2001. 'From Ethnic Affinity to Alienation in the Global Ecumene: the Encounter Between the Japanese and Japanese-Brazilian Return Migrants'. *Diaspora*. Vol. 10. No. 1, pp. 53-90.
- VASILEVA, D. 1992. 'Bulgarian Turkish Emigration and Return'. *International*

# Reflections on fellow migrants



## We Had a Czech/Slovak Party

First of all some statistics:

Number of pints consumed: 175 (out of which Staropramen takes the lead)

Bottles of spirits consumed: 3 (Becherovka, Fernet, Slivovica)

Visitors: 50 to 60

We were quite surprised about the number of people who turned up as we expected about 10 people all of them being local and well known. However visitors from two nearby towns north and southbound measured their way to our event. They even danced which I as a humble DJ deem a success considering the fact the place is not really a club but rather a bar-restaurant.

So why was the party organized at all? Well I could pretend it was purely because of wanting to get the community together. But then I am not employed at the bar so I can confess the business reasons behind it. Nevertheless the owner felt as being on a mission and he even visited the Czech Embassy.

The place was fairly empty at first but all of a sudden a group of 10 guys came in and it started to look more optimistic. The discotheque was meant to finish at 1 AM and the group was meant to relocate to a night club also belonging to the owner. But try to explain it to the guys after a few pints of Staropramen and few shots of Slivovica in a very good dancing and/or singing mood. Impossible. I really felt bad for my friend who was managing the whole event as she was standing in front of a group of well built Czech&Slovak guys singing the national anthem and a traditional folksong afterwards trying to drag them outside. Actually 2 Irishmen were also singing along because the words did not really matter anymore... **Jana 04.02.2007**

## When I First Came to Hamburg

I was immediately immersed into a multi-cultural mix of people. However, at the very beginning, every time I met Hungarians I thought, "wow, great to see a countryman!" It turned out that only a few of these Hungarian people actually became friends of mine because I found most of them quite boring and nothing special.

When I hear Hungarians speaking in the street, my first reaction is: all right, nice but I don't feel that I necessarily need to approach them. For me it's just another unimportant fact if somebody is from Hungary and isn't a social advantage.

**Attila 27.01.2007**

## How Many Czechs Actually Live in Worthing?

I won't use any statistics to find out...

I know about four for certain, myself and my girlfriend excluded. I must know these people, they are all my colleagues. And I found the jobs for them and, what a coincidence, it was in the same company that I work for. When my good friend chucked in a prestigious but stressful job in Prague and came to Worthing, we began building up a small Czech community. He wouldn't stay too long without his girlfriend who got also bored with her work in a small restaurant in the Czech Republic so she has joined him recently.

In the meantime, my friend and I crossed another couple's path. Better, they crossed ours. They heard us talking Czech in the pub and came for a chat. Desperate for help they beguiled us by story about unbearable conditions in their au-pair job. In good faith, we helped with all necessary paperwork and found work for them. Guess where! Anyhow, we didn't make the best experience. We got moaning instead of gratitude.

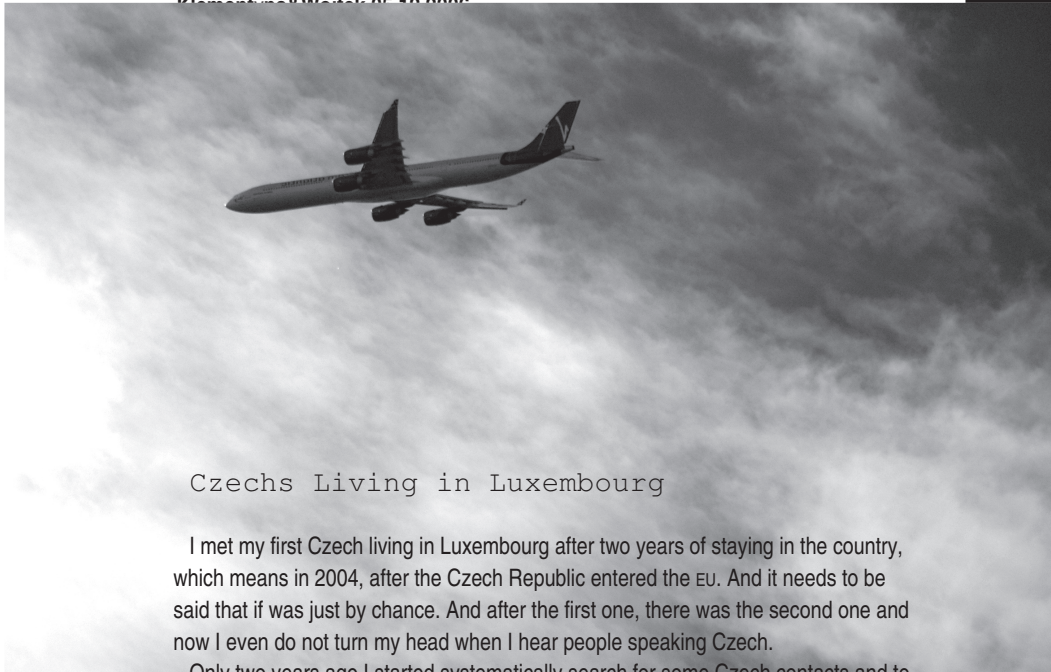
By the way, our boss likes Czechs for some obscure reason. We made the impression, apparently. He wants to employ more of us and keeps asking for another Czech source as the one in Worthing seems to be dried up.

Never mind, some more will come? **Radek 01.12.2006**

## Not All Polish People Establish Connections with Foreigners

during their stay in Ireland. We know many who live, meet and work with other Poles and do not speak English at all. They watch Polish tv, listen to Polish broadcasts on Irish radio stations and read the Polish press. Some of them complain about their Irish hosts. Once we asked Polish guy, why he does not learn English. He answered: "I am Polish." Oh, yes... It was really convincing argument... and this is why so many Polish people cannot fight for their rights here in Ireland, but the Irish are friendly and try to translate the most important websites, documents and leaflets into Polish. Are guests from Poland friendly in the same way? It depends.

Klementyna 8.05.2006



## Czechs Living in Luxembourg

I met my first Czech living in Luxembourg after two years of staying in the country, which means in 2004, after the Czech Republic entered the EU. And it needs to be said that it was just by chance. And after the first one, there was the second one and now I even do not turn my head when I hear people speaking Czech.

Only two years ago I started systematically search for some Czech contacts and to my big surprise I realised that the Czech community in Luxembourg is rather big, well organised and rather active. There are some 'meeting points' where one can easily join Czech people, be it the internet web site 'Česi a Slováci v Luxu' or regular meetings of the society 'Amitiés tchèque et slovaque Luxembourg (ATSL)', the Czech Theatre Group in Luxembourg or spontaneous ad hoc meetings and events organised by the Czech people living in Luxembourg. I regret I did not know about it a bit earlier.

I really like to participate in these gatherings and activities; however, I have to say that from the very beginning it was a bit strange for me. Paradoxically enough, sometimes I felt like a stranger during the meeting where there were only Czech people. A stranger among my own people. I felt like I was intruding on their 'Czechness' which was at that time much stronger than mine. Another reason to feel like an outsider could be that I was not used to that closeness and easiness of being with them. When I say closeness and easiness, I do not mean that all Czech people have to be necessarily close to each other, that all have to be friends and that all of them are at ease. I refer more to the closeness and easiness of communication. And when I say communication I do not necessarily mean the Czech language. It is more about the way we speak, the way we interact, the way we use nonverbal expressions, the amount of common experiences (meaning experiences at the cultural level) we had or we have, which make us more Czech than other people around. **Marie 18.01.2007**

There is  
actually an  
Association  
of  
Hungarians  
in Hamburg.  
I even went  
to a party  
of theirs  
once,  
maybe  
twice, but  
that was  
enough  
for me,  
thank you  
very much.  
Not my  
cup of tea  
at all!

Attila 27.01.2007

## Klementyna Attends the English Academy

Thanks to it we meet new friends.

Everything started three months ago when Klementyna had decided to attend The English Academy in the centre of Dublin. She chose daily course. The first day in the school she met a lot of interesting and outgoing people from South Korea, Spain, Czech Republic, Brazil, Lithuania, Italy, France and Japan. After one week they came up with an idea to go out together. Korean friends proposed to visit their favourite place: the Korean restaurant. It was an amazing experience. There were special kind of tables with stone counters, round opening in the middle and burner inside. Customers of the restaurant prepare barbecues by themselves. It is very nice feeling to sit around the table, observe burning flames and smell a scent of a sizzling meal. Our Korean friends ordered the most typical dishes from their country. We drunk gentle rice vodka called Soju. Hyundu and SanInn showed us a string of rules which are required during social meetings. For example: it is really bad manners to pass the person who pours a drink the glass using only one hand. If you want to show your respect you have to do it with two hands.

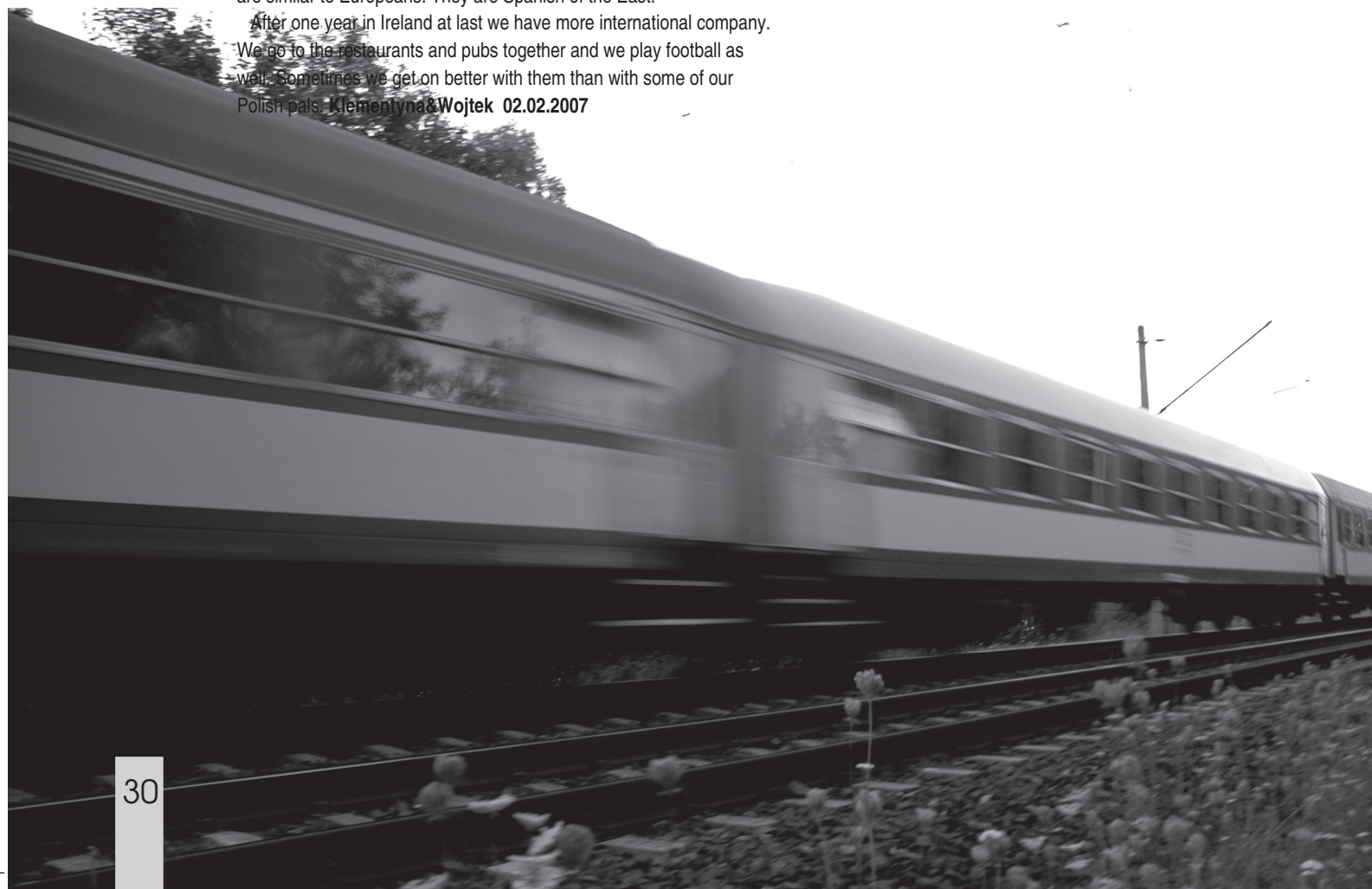
Two weeks after that we visited Spanish restaurant. The Spanish are not as strict as the Koreans. It is funny to observe the gap between Asian and Spanish mentality. With the Spanish you can loose the distance. You can hug someone during the conversation. The Asians are tactful and gentle. So when Jose hugs Schinoutsie from Japan, Schinoutsie looks a little bit tense. Anyway, people from South Korea are similar to Europeans. They are Spanish of the East.

After one year in Ireland at last we have more international company. We go to the restaurants and pubs together and we play football as well. Sometimes we get on better with them than with some of our Polish pals. **Klementyna&Wojtek 02.02.2007**

## Twenty Years Ago There Were No Foreigners in Here

and Irish society was very poor. Now, Dublin is true melting-pot of races and nations. So Klementyna and me have wonderful opportunity to meet not only exotic cultures, and this is interesting, our neighbours as well: Czech, Slovak, Russian, German, Lithuanian and Ukrainian people (all the surrounding nations except Belarus). In Poland we saw only tourists from neighbouring countries, here we speak almost everyday with labours from Czech Republic, Germany etc.

**Klementyna&Wojtek 05.12.2006**



## In My First Six Months

as a part of the German speaking team I mostly saw and talked to people from my or the neighbouring teams, who were Nordics and Benelux. Having no roots in Ireland brings international people easily together and having the right human ingredients you soon start to socialise after working hours.

Unless they have met love of their life here in Ireland most of them planned to move on after 2 to 4 years. I actually have not yet come across an immigrant who would plan to settle down for good.

Nearly a year has passed when the company decided to restructure our teams, i.e. ending the era of our language specific teams and starting the job-specific era. Although they claimed this has hugely improved the efficiency it has also hugely impacted on human relations. Friends were torn apart to different parts of the floor and although we still kept on going for breakfasts and lunches together it has never been the same again. **Jana 10.01.2007**

## I Do Not Know About Other People

but I have realised that most of the people who move to another country have to cope with something which I tentatively call 'immigration syndrome'. The main symptom of this state of mind, given that it is mainly only attacking the brain of immigrants, is a sort of compulsive need to compare their new country to their home country. Very often one can hear immigrants saying that "here it is like this but we (meaning people from his/her home country) do it differently" or "these people here (meaning people in a new country) are strange because of that and that reason". Only after some time (shorter or longer, depending on character and circumstances) immigrants stop using their home country as a reference point and actually have a proper look around.

Here in Luxembourg I came across two types of newcomers: those who are happy here and those who are a bit reluctant about their move. The happy ones are, not really surprisingly, very much in favour of their new country and in their comparisons they stress positive sides of life in the Grand Duchy of Luxembourg. I have noticed that among the most appreciated feature of this country belongs: very good salaries, safety, very good infrastructure, geographic location, nature, generous welfare state. The unhappy ones or hesitating newcomers seek more for disadvantages.

I feel a bit uncomfortable when I am pulled into a discussion on "how boring the life in Luxembourg is". I realised that this is one of very common topics among newcomers and it repeats so often that I do not want to listen to it anymore. Especially irritating these discussions are when you are so unlucky and you meet newcomers who are not able to accept that they are here. This group of people is really rather difficult to deal with. Whatever conversation you start with them you end up in a discussion that they actually do not know whether they really want to stay here or not, may be at home or somewhere else it would be better, they will never get used to some things here, they do not want to try to settle down because they might leave soon anyway, this country is too small and too calm etc, etc. I really try to avoid these chronic doubters.

I know that these doubting things are a good common ground on which one can build up a conversation but if it repeats all the time it becomes tiring. I personally find it a bit more productive to go jogging or for a silent walk than feeding the endless diarrhoea concerning the limitations of this little country. I am convinced that people who do not want to stay here do not have to, and those who decide to stay here should be able to accept their own decision.

**Marie 31.01.2007**



We have to  
cross  
the river.  
We have to  
leave our own  
bank  
and jump  
in the water  
we do not  
know  
so well

After reading once again my contribution from last week concerning immigration syndrome, I felt that I was rather harsh with newly arrived immigrants and their omnipresent tendency to compare all the time and their self-redefinition. My freshness made me to ask my self a couple of questions: why did I react this a bit irritated way? Why I am so impatient with people like this?

And I think that I found the answer. I was doing the same thing which I find irritating. I was one of those who compared all the time. I went through the process of resetting/redefining my self, my relationship to my home country and the link with my new host country.

This resetting took me a lot of time and demanded a lot of self reflection and inner discussions. The process was long and sometimes difficult and in the end I managed to reach certain stage when I realised that things fitted, there are no ambiguities, that I simply accept. I would compare the process of migration and settling down somewhere else to crossing a river for the first time.

At the very beginning we stay on a river bank. We know our side of the river very well because we have spent some time there. We know the river and the other bank as well but the knowledge and understanding of it is not direct, not lived through. We see the opposite bank, we observe it, but everything what we can see from our side is perceive from our current viewpoint. If we are very curious and decide to touch the other bank we have to get there somehow first. We have to cross the river. We have to leave our own bank and jump in the water we do not know so well. We saw it many times but we do not know whether the stream will be calm or strong. Very often we do know how deep it is. We make the first step, the second one. If we are lucky everything goes well, the water is not too deep and we have a good guide with us who tells us where the ford is and where it is safe to go. If we are not lucky we are left without a guide and we might be pulled into invisible whirl-pools, wild streams. We get wet, we sometime doubt whether we make it to the other side. May be it was safer and better to stay where we were. But when these doubts come we might be already too far and going back would maybe take much longer than just continuing.

I think, I somehow crossed the river, reached the other bank and I am starting to feel a solid ground under my feet. However, it took me some time to get here and the river that I had to cross has not always been calm and safe. Therefore my stability is still rather fragile and it somehow destabilises me when someone is pulling me (of course, unwittingly) back to the river, to the streams of doubts and the whirl-pools of questions and comparisons. I need to



# Interview with Eugen Jurzyca

Director of the Institute for Economic and Social  
Reforms (INEKO), Bratislava, Slovakia

BY PETER DRÁL'

We are currently witnessing two complementary phenomena which seem to be significant for the economic development of Slovakia and the whole Central European region. On one side there is a relatively high emigration of highly qualified and mostly young people from v4 to the west while, at the same time, there is increasing labour immigration of people from third countries to Central Europe. In the latter case, however, qualification of immigrants is not always high and they mostly take low-paid jobs. Do these processes significantly affect the overall economic operation of Slovakia?

INEKO has recently conducted a survey in which twelve Slovak economists and economic analysts were asked to assess various factors and their impact on the economic growth of the country. The experts were supposed to attribute relative weights to each factor. And neither immigration nor emigration was conceived as a crucial factor for the ongoing growth. On the other hand, several studies imply that migration generally does have some impact and is usually beneficial for both the

sending and the receiving country. This is true if there are no turbulences, such as mass emigration of highly educated people. There has not been such outflow of workforce from Slovakia. In 2005 only 0.3 individuals per 1000 citizens left Slovakia, in the Czech Republic, it was 2.4, in Germany 7.6, in Luxembourg 23.7. However, in some sectors, for instance in health care, we are witnessing a large number of highly qualified physicians leaving the country. This is indeed a problem we have to deal with.

If emigration has only a small impact on the overall economic operation and seriously affects only some sectors of economy, is it similar also with immigration to Slovakia?

The same rule applies for both immigration and emigration. It does not have a major impact, rather a modestly positive impact. It should be mentioned that the contemporary world does not operate in a way that the number of job positions and the workforce needed for them are fixed for a long time. There is not a simple equation and therefore

it would not be a valid argument to say that if migrants come to our country then our citizens automatically lose their jobs. It may happen in a short period of time if a large mass of migrants arrives. What applies here is a different rule: the more skilled and qualified individuals the more jobs are generated. We should not fear immigration if there are no excesses. Nonetheless, if incautious immigration policy decreases the educational structure of the whole population, in other words, if people with low educational status are mainly received, it can certainly have negative impact on the whole economy.

Some jobs do not require high qualification and are not taken by the domestic labour force as they are usually low-paid. Is lower qualification of migrants necessarily detrimental for the economy also in these cases?

It need not, but it usually does have certain negative impact. In the context of globalization, when countries like China and India enter the world economy with massive production and with billions of people who are



mostly low-qualified, they enter the same market as we do. It is obvious, for instance, in the textile industry. EU is trying to react to this though various strategies and among them is the receiving of cheap workforces from third countries. On the surface, it does look easy: if there is a missing workforce we can easily fill in the positions with migrants. However, such positions are relatively expensive, without any added value and in the long term we pay them off. At the same time, if there are some jobs that nobody wants to take; wages for these positions usually increase in the medium term until someone eventually takes them. On the other hand, uncontrolled entry of low-qualified migrants who are content with lower wages can lead to 'stabilisation' for them in certain sectors. In short, they will remain on the same low level. In the long run it is thus more beneficial to have educated people than to receive unqualified migrants. Education is nowadays one of the most beneficial investments. It pays to have qualified workforce and it is not advisable to decrease the educational structure of the population though an incautious migration policy.

This is more a global or general view on migration. If we focus closely on the local situation, the rules you described do not seem to be very useful, for instance for entrepreneurs who often need a workforce 'here and now'. At the same time, they are often unable to recruit new employees from the local workforce. Do our entrepreneurs lobby for easing our migration policy? Are there some indications that companies increasingly develop sustained pressure on the government to invite foreign workforce?

Unfortunately, there is not a suf-

ficient pressure as yet. Entrepreneurs are only now beginning to realise the problem. One businessman told me quite recently that he keeps 'raiding' local labour offices to fill in the positions which are vacant for a long time. Today he would accept almost anybody. Certainly, it is only a matter of time when there will be shortages in more companies and whole sectors, and so the pressure for change will increase. However, as was mentioned before, the resulting migration policy needs to be very thoughtful and the crucial question is how we should manage new immigration. The state has only limited means to ascertain if a concrete migrant is useful for the domestic economy. What we can in the first place do is to analyse the work demand from the companies and to identify labour shortages. Everybody wants everything 'here and now' but an evolutionary optimal strategy for a society takes into account long term goals as well.

What mechanisms should a sustainable migration policy entail?

It is not an easy task to draft such policy. It should be based on the estimates of some optimal size and structure of migrant population which would be beneficial for the economy.

At the same time, it should also avoid certain economic, cultural or say religious problems potentially triggered by a massive arrival of immigrants. So far, the best approach seems to be, simplistically speaking, to 'buy' the migrants from the state. In other words, the state will invite the workforce needed for production and companies will, in return, cover the expenses connected with the arrival and stay of labour migrants. I would opt for the policy which would be based on the amount of

money corporations/immigrants are willing to pay to the state for the invitation and integration of foreign workers.

Such a model is very similar to the policy of guest workers. There was, however, one crucial assumption when it was adopted which was disproved in the course of time. It was thought that guest workers will return to their home countries after certain period of time but what happened instead was quite the opposite: not only were there low returns to the sending countries but migrants were gradually followed by their relatives. Currently, family re-union is conceived as a right, second and third generations of former migrants were born already in Europe and together constitute a significant part of the population. At the same time, various problems of social integration have arisen. Is it likely we will repeat the same scenario?

I do not think it is possible to completely repeat the same story again. However, there are some risks which may come true and some mistakes we can certainly repeat. It is, nonetheless, possible to avoid them by redesigning our social systems which were created based on what was the situation 100 years ago. I mean health care, education or pension systems which were designed in the context of relatively isolated national economies and societies. People benefited from generous contributions regardless of their own contributions to the system. This is not sustainable in the long run. In Austria, for instance, the pension system was recently changed precisely due to these pressures. Contemporary societies are much more open, mobile and allow foreigners to enter the economy on a large scale and therefore require completely different redistribu-

tive mechanisms than before.

For example, pension systems in western countries also certainly attract many migrants to stay after they have retired. If you have a system based on savings where everybody saves for oneself during the productive age, you do not pose any problem for society after you retire. These pensions can be spent in the host country or back home in Ukraine, Turkey or any other country with high numbers of labour migrants.

Are we prepared to deal with these problems in Slovakia?

Slovakia is much ahead in certain areas – we already have a meritocratic pension system based on individual savings. In the past each pension was counted from the salary of the best five years out of the last ten years of work. It thus sufficed to come to the country, work for five years and you could get the same pension as someone who worked for forty years. Nowadays, you save for your pension throughout the productive age and your earnings will be reflected in your pension very much depending on how much you saved.

On the other hand, in the domain of education we are not very well prepared. The old system does not work anymore – it was already mentioned in regards to the migration of our best physicians. They receive very good education which is for free, or, in other words, paid from the taxes extracted from all economically productive people. However, as they are not sufficiently paid they migrate to other countries for better career opportunities. This is not a complaint against the physicians – their behaviour is absolutely understandable and rational. How-

ever, from an economic perspective, the system is absolutely unsustainable.

Would the introduction of tuition fees solve the problem?

In one representative survey we conducted some time ago the majority of respondents disagreed with the possibility of direct payments for higher education. We thus calculated what amount of money is needed to pay the system indirectly, from taxes. The problem is that most people also disagreed with this alternative. At the same time, they want to have quality education. Under such conditions, politicians who want to be successful cannot go against the will of majority and they thus give unrealistic promises. It will take some time until a critical mass of people, especially from among experts, will push the issue and explain it is not possible to maintain the quality of the system without rethinking its financing. The introduction of tuition should certainly entail a system of stipends or loans for students coming from low-income families. After the completion of their studies and entry into the labour market they would repay these loans with very modest interests. Otherwise, educated people will leave Slovakia and less educated ones will fill the gap.

You already implied that an incautious migration policy may cause economic problems along with some problems resulting from the coexistence of different cultures. The latter are usually attributed to migrants and popular perception is often marked by hostility and xenophobia. On the other hand, foreign investments are usually praised and warmly welcomed even if they come also

from culturally different environments. We have already heard about some tensions with the imported work ethics, senior-junior or management-baseline relations within some companies in Slovakia. Should the governmental stimuli for investments also reflect these issues?

If the inflow of investments was really massive I would perhaps opt for the adoption of some standards also in this area. However, the inflow we face nowadays is manageable.

Immigration, too, is low: In 2005 one person per 1000 citizens immigrated to Slovakia. In The Czech Republic, the number was 5.9, in Luxembourg 29.6 and in Germany 8.6, for example. To slow it down would not mean to avoid it but only to postpone it for a while. In few years we would be still confronted with Korean, Japanese or Chinese investors, no matter if we are now reluctant to receive them. Moreover, the potential consequences would perhaps be more turbulent in comparison to a more gradual inflow of investments. Japan is a very good example of this: the Japanese economy has long resisted letting in American capital. At the same time, Japanese companies were characterised by a strict seniority system which was deeply ingrained in the whole of Japanese culture. Seniors were always better paid than juniors regardless of the effectiveness of their work. At the rotation pass everybody was doing the same thing, but seniors did not always manage to do the same amount of work as juniors did. In consequence, younger workers did part of the seniors' work and were still paid less.

Restrictions on investments were not sustainable in the long

term as they would lead to economic suicide. When they were eventually alleviated, American enterprises massively entered the Japanese economy with their own work ethics and without the seniority system. This caused many more problems than a more gradual inflow would have caused: younger people naturally moved to American companies in which they had higher salaries and no additional, unpaid work. Older workers remained in the Japanese factories which were less and less competitive and eventually closed down. What follows is clear: if Japan had enabled investments to come in gradually, changes brought about by these would happen in a much more peaceful and humane way. As they blocked the economy the consequences were harsher. Therefore, I do not think restrictions on investments are necessary, provided the inflow is not unprecedented.

The discourse which usually accompanies the arrival of investments mostly emphasises the beneficial effects on the economy, especially in terms of the jobs created, both direct and indirect. However, some experiences from the Czech Republic imply that the inflow of investments does not necessarily decrease the unemployment rate in the given region. It appears that if the work demand does not match the offer, unemployment may remain the same. Similarly, a workforce can be imported along with the investments. Can we see a similar pattern in Slovakia?

Theoretically speaking, such a scenario is possible. However, I would pose the whole issue differently. In Slovakia, unemployment decreases and employment increases wherever invest-

ments come and both indicators remain the same or worsen in those regions which attracted fewer investments. The root cause of the inflow is the improved economic environment, reformed tax system and labour code. This applies to both foreign and domestic investments – both have increased and led to the decrease of unemployment. Obviously, there is no significant import of workforce at the expense of the domestic labour. What I see as much more troubling is the expectation that we are likely to reach the threshold when there will be a substantial group of the workforce which will not be employable regardless of the investments. This will perhaps occur earlier than in other countries due to high proportion of unqualified workforce in Slovakia compared to, for instance, the Czech Republic.

Slovakia really has a high proportion of unqualified labour which is even reproduced between generations. At the same time, a vast majority of recent investments require a highly qualified workforce. Even though recent investments obviously decreased the level of unemployment, this will perhaps work only to a certain level. A natural level of voluntary unemployment will not be reached until we have a significant group of long-term unemployed. Are there any measures to tackle this problem?

Until now, what worked for the economy at large – decrease of the tax burden and changes in the labour code which increased flexibility and motivation to work – did not really work for the unqualified and long-term unemployed. If we talk about Roma who seem to be mostly affected, cultural specificities also play some role.

From what I know about the history of Roma, it is a problem which has existed for over a century. In the past, many western countries simply displaced them, in some territories they were banned to re-enter under the threat of death. Many Roma settled in our countries. Nowadays, it is fortunately not possible to 'solve' this problem in such a way. We must employ different tools, although I have not personally seen a single one in the past fifteen years which would really effectively tackle the problem. Activation works only have short-term effects for the decrease of unemployment and may well reproduce the very same status. There are some projects which are based on the 'abolishment' of unemployment by giving work to all jobless people though the municipalities. It requires a conditional payment of allowances in return for the work. The problem in Slovakia is that the state pays the money while the municipalities are supposed to organise the work. The state cannot effectively control if the work is really done. I would say that in trying to solve this problem our society has underestimated the role of education.



DRAWN  
BY CBR

# Perfect Location, Low Wages, No Workers

## Western Investors in the Visegrad Region Struggle Hard to Meet Their Labour Demands – Observations from Kolín and Trnava

JAKOB HURRELE



On 8th January 2007, French car-maker Peugeot-Citroën closed its factory in Ryton (Great Britain) and dismissed 3,200 employees. In the two years prior to Ryton's dark day, the company had opened two new factories in Central and Eastern Europe, creating jobs for more than 6,000 people. The relationship between Ryton, on one side, and the locations of the two new factories, Kolín (Czech Republic) and Trnava (Slovakia), on the other, is illustrative of a more general trend. Especially since the accession of eight transition countries to the European Union, a large number of foreign direct investments have been flowing into the region. In 2004 alone, these investments had a total volume of €191 billion (EU NEWS 39/2006). According to a study by the German Fraunhofer Institute, 65 % of investors were motivated by cost advantages (VDA 2004). The most important factor of these cost advantages is the wage gap between old and new member states.

At the same time, this wage gap represents one of the reasons why people from Central and Eastern Europe seek employment abroad. According to a study commissioned by Britain's Department for Work and Pensions, almost 300,000 citizens of the new member states, which equals the workforce of one hundred Peugeot factories combined, have moved to Britain to work between May 2004 and September 2005.

Using the prominent investments of Kolín and Trnava as examples, this article seeks to investigate relationships between the mobility of labour and capital. According to classic economic theory, which tends to disregard geographical factors, this contrary mobility should result in some sort of equilibrium. If both workers and investors relo-

cate with the objective of maximizing their profits, wages could be expected to gradually convert. In the real world however, things are more complicated and full of potential traps. The loss of skilled workers in the countries of Central and Eastern Europe might for example discourage Western investors, who may prefer relocating to countries where people are not able to express their dissatisfaction with low salaries by 'voting with their feet'. In such a situation, migration-induced lack of labourers might drive local salaries up even if the absolute demand for work is decreasing. Some companies in the region, for example in the textile industry, are already adapting to this situation by employing people from poorer countries further east.

Another important issue is the limited inter-regional mobility in face of growing differences between regions within a country. Often, unemployment is lowest in regions which are most attractive to foreign investors, while it is difficult to attract investors to rural and marginal regions such as Jeseník (Czech Republic), Mazury (Poland), or Gemer (Slovakia). Lacking capital and facing highly regulated housing markets, unemployed people from these and other disadvantaged regions find mobility difficult despite an awareness that, for instance, a new Peugeot factory is opening in a more fortunate part of their country (see also: FERN 2004).

One may be inclined to interpret the outlined contradictions as mere aberrations on the way to equilibrium. Accordingly, the ratio of profit-maximizing will eventually drive international investors to Gemer or Jeseník, if profits in Bratislava and Prague decline as a result of wage convergen-

ce to Western standards. Possibly, such a process could be steered by sound regional development policies. Following the rules of the European Union's structural policy, which distinguishes target areas not by countries but by regions, the regional policies of all new member states pursue aims to minimize regional differences by attracting investments to disadvantaged areas (see also: MELISSA, FUNCK, PIZZATI 2004). An illustrative example for such a policy is the Slovak Republic's rules for the granting of public subsidies. Its basis is a map, which divides the country into three zones. The red zone depicts districts with an unemployment rate of less than 10 %; the yellow zone those with up to 15 % unemployment, while unemployment exceeds 15 % in the green zone. Most of the public subsidies are available only for companies investing in the green and yellow zones.

Kolín and Trnava – TPCA and PSA

Adapting such explicit rules for public subsidies is a reaction to both the widening gap between prosperous and disadvantaged regions and to the common criticism that much public money is spent to assist regions, which would subsist without additional assistance. If seen in relation to the most disadvantaged areas in the Czech Republic and Slovakia, this argument could also be valid in the cases of Kolín, Czech Republic and Trnava, Slovakia, the locations of Peugeot-Citroën's two Central and Eastern European production plants (in case of Kolín in form of a joint venture with Toyota). Both cities' relative favourable position is also demonstrated by the fact that – according to the officials asked in city administration and regional labour offices – the loss of qualified workers due to migration to the West has not been an issue for Trnava and Kolín. If young people leave temporarily for Great Britain or Ireland, it would mainly be out of the desire to improve their language skills.

Both cities have more in common than their hosting of Peugeot-Citroën as their largest investor. Kolín and Trnava are situated less than an hour's drive from Prague and Bratislava (respectively), both are important railroad junctions and both are accessible by motorway. Despite being important centres of industry throughout communist times, both maintained their picturesque historical centres. Due to economic restructuring and the closing of many factories, many production workplaces were closed during the 1990s. In 2002, despite the favourable geographic location, Kolín's unemployment rate was 9.91 % (the na-

## How Did I Find a Job?

This has always been the main problem with labour migration. It's not easy to find a job from abroad but travelling abroad without having a job is a big risk. I didn't know anyone in the UK or in Ireland who would provide shelter so I was dependant on searching the internet. But I was very reluctant to trust to any of the job agencies as I heard the shocking stories about how they take the advantage of the clients...

**Radek&Marketa 22.11.2006**

## Let the Property Dream Come True!

The English mania in buying and selling properties is fascinating. The soaring property prices are topic no. 2 of everyday conversation, right behind the weather. Jump on the 'property ladder', become 'a first time buyer', or even 'a property developer' – that's what more and more people dream about. Sometimes these and similar terms turn into a nightmare. Is it the idea of quick and relatively safe invested money or the hunger for own nest, what throws people into the world of crazy high mortgages?

The fact is that the British property market is very specific. The media helps boost the increasing interest in buying, selling and renting. The four basic TV channels offer seven property orientated programmes at the moment. I counted them today. There are at least four of them dealing with properties in the UK... I couldn't resist! I have to say that I do watch them quite eagerly. These programmes go together with my natural interest in different life styles. I'm simply curious about how people live, how they arrange their flats and houses, what improvements they do, what the new trends are. What's more, British architecture has much variety... Nearly every house has some attractive features like a fire place, a bay window, conservatories etc.

To get a mortgage is so easy. So don't waste your time, property prices are raising by 5-20 % a year. Let your dream come true!

**Radek&Marketa 19.03.2007**

tional average at that time was 9.8 %) while Trnava's hovered at 15 % (the national average in 2002 was 18.5 %).

In both cities, the first initiative meant to attract foreign investment came not from the city, but from the state and their investment agencies (CzechInvest and SARO), which had identified both cities as especially attractive locations. In 2000, Kolín and Trnava were taking part in the international competition for a new BMW factory. Neither of them succeeded. Ultimately the factory was built in Leipzig. However, having figured among the last round of competitors for 7, Kolín had already concluded the selection process for the site of the needed industrial park. The far-developed plans facilitated the negotiation process when Toyota and Peugeot-Citroën were looking for a suitable location for their joined factory

a year later. Today, TPCA Kolín represents the largest foreign direct investment in the Czech Republic with a volume of about €650 million. 3,000 people are directly employed by the company; and an additional 2000 by three other companies located in the same industrial zone, whose business is directly linked to the operation of the car factory.

In the case of Trnava, negotiations between the state, investors and the city began about a year later. Being of a similar size as the Kolín plant, the Trnava car factory provides employment for 3,400 people. While the Kolín factory has already reached its maximum output, PSA plans to further expand its Trnava factory. Currently, the Trnava investment has a volume of €1.1 billion.

It is difficult to estimate the precise size of public subsidies paid to both companies, due to controversy in assessing public infrastructure such as connection streets that were mainly built to serve the production plant but are also beneficial to other users. It is interesting however, that in the Czech case a much larger percentage of costs are burdening the municipal budget. Pointing to the large number of workers from other regions, critics complain that despite one billion Czech Crowns (€36 mil) of new municipal debts, the investment has only marginally affected the regional unemployment rate, which fell only slightly faster than in the rest of the country and still is about 6 % (Czech Republic 7.7 % [2007]).

According to Jiří Leschtina, journalist of the Czech Republic's respected *Hospodářské Noviny*, who interviewed the former mayor of Kolín, Zdena Matějková, about her experiences during the negotiation with the investors, the inexperienced heads of the city were simply taken by surpri-

se by TPCA's Japanese negotiators: "How is it possible that Toyota got some unbelievable guarantees from Kolín? Including the agreement that the city will cover all the costs for the enlargement of access roads, the construction of noise protectors, and additional measures to eliminate the investment's negative impacts on the environment." Letschina points to the understaffed and inexperienced negotiation team of the city, which faced negotiators that "had unlimited sources and large teams of specialists. In the final negotiation between TPCA and the city [...] about thirty lawyers from an expensive American law company were working for TPCA. Their salary was a million crowns per day. Representing the city, only the mayor and her vice Vít Kosina."

Who is Unemployed? Who is Employed by Peugeot?

Interestingly, the investor does not seem completely satisfied. Czech newspapers often report about TPCA's difficulties in finding workers for their factory. In one article, automobile sector specialist Matt Pottle, from Pricewaterhouse Coopers' Central Europe, is quoted as saying that localised skills shortages would emerge as one of the major issues for the automobile industry in the Czech and Slovak republics (FRENCH PRESS AGENCY, 17.03.2007).

In Kolín's Regional Labour Office, director Josef Blecha agrees with the suggestion that the simultaneity of unemployment and the lack of skilled labour implies that most of the unemployed are not suitable for the needs of TPCA. He said, "We should face it: the vast majority of these unemployed are either not willing or not able to work." Perhaps the largest group is married women with children, who prefer to be registered as unemployed because the state would then cover the costs of their health insurance: "We can request that such a person goes to a job interview. But if she doesn't want to work it will be enough if she states 'part-time' as a condition. No chance, we are not able to provide her with this kind of job."

Declaring that 'work should pay better' Slovakia's former rightwing government abolished many social benefits. Even though Trnava currently has a very low unemployment rate of only 4.2 %, Pavol Gavalec, from the Labour Office of Trnava, is sceptical whether the social reforms had a great influence on unemployed people's motivation to seek work: "But now things begin to change. There is intensive competition between psa and the other large employers in the Trnava region. This has a huge effect on wages." Facing difficulties to

## Yet Another Criticism...

... After experience of living in a social state as social as it could be, I strictly say: "No, thank you!" Let England be a warning for the Czech Republic. I don't fancy well-off crowds claiming social benefits for EVERYTHING. The systems offers so many short and long term advantages to keep them unemployed and to handicap those who work, don't claim any benefits, don't live in a social housing and pay for their own accommodation and pay tax... and expect to get appropriate pension for all this. English social (as well as education) system prefers care about the weakest ones before reinforcing the support the talented ones. The decreasing tendency of whole English society is more than visible. **Radek&Marketa 13.03.2007**

fill all positions, the lowest salary in the PSA rose within the few months since the opening of the factory in October 2006 from SKK 9,250 (about €270) to the current figure of SKK 15,000. In the opinion of Mr. Gavalec, the resulting drifting apart of welfare payments and salaries will affect many people for which working hitherto made little economic sense. For Peugeot-Citroën, being the largest among several international investors in the city, this 'recovery of the labour market' would affect not only wages in the car factory, but the entire regional economy. In Kolín, where average wages are significantly higher than in Trnava, Mr. Blecha is not able to identify a similar process: "Wages at TPCA were growing fast. If you include the average performance bonus, the basic wage is now about CZK 20,000 (about €750). But I cannot see that this would have a large effect on wages elsewhere."

Notwithstanding the effects of growing salaries, it is clear that the regional labour potential in both cities is already too well absorbed to provide sufficient labour for another large investor. In the case of Trnava, Sony recently justified its decision to relocate 60-km distance to Nitra, citing the situation on the local labour market. Not everyone, however, believes that this is their reason to relocate, pointing instead to the fact that Nitra is located in the yellow zone, where investors have better chances to gain public subsidies. In Kolín, the situation on the labour market troubles not only TPCA, but also the city hall, which invested heavily into the creation of the new industrial park. Pointing to the vacant land around the TPCA factory and three related companies, Pavel Daňek from the city of Kolín's municipal department explains: "This land is owned by the city and fully developed. It is something like our treasure. However, so far we were not able to find an investor. Everyone seems afraid that they would not find the needed workforce."

#### Housing a Mobile Workforce

In the case of Kolín, the investor was already aware of the need to recruit workers from beyond the region in the planning period. This concern led to a specific provision in the 'Memorandum of Understanding' between TPCA and the city, according to which the city would build 850 new municipal flats. Spread over two new neighbourhoods, this huge public investment into municipal housing has no equivalent in the Czech Republic. It should be seen as particularly problematic that the public investment was made in favour of a single private company. The conditions agreed be-

Journalists back home tended to compare Ireland to Slovakia quite often. Not only due to similar land area or population size, but they also liked to compare both nations' fondness of having a good drink and being welcoming to visitors. Economically they wanted to see a new tiger growing in Slovakia. But has this been just a journalistic cliché? I think it is very hard for one person to answer that question definitely.

Even here in Ireland I can see a difference between Dublin and countryside for instance. But again you can say the same about Bratislava and the rest of Slovakia. People in Dublin are much more self-focused, indifferent and usually in hurry whereas going just a bit further out of the city strangers would greet you while you are walking on the beach and comment on the good or bad weather.

On average Irish people seem to me more relaxed and what I absolutely like they are not reluctant to use the word sorry quite often.

They are more positive than us. You could say it due to economic grounds but that's not for sure. They enjoy simple pleasures and I have the feeling that they remain active socially in senior age as well.

Talking about the tigers, the economic success is changing the country rapidly and especially the younger generation. You can see the symptoms of money taking the first place in life. It seems to me the old are not quite happy with this development. When you look around almost all young kids wear the brand clothing and quite often you see them packed with full shopping bags and then you start to wonder where they get the money for it.

The answer in most cases is from their parents who probably have no time to spend with their kids so they compensate with money. In the meantime they spend more time in work to make more money. A vicious circle. And this is what our countries have unluckily in common.

Maybe being a tiger is not entirely good. He is powerful and good looking. But when he becomes hungry it can be dangerous. **Jana 21.01.2007**

tween TPCA, the Czech state and the city of Kolín state that a certain part of the municipal housing stock is solely to be used by employees of the TPCA factory. The direct connection between the provision of work and housing must be seen as highly problematic. It limits the workers' freedom to choose on the real estate market and could, in the consequence of involuntary job loss, lead to homelessness and social exclusion. In the opinion of Mr. Blecha, this is one of the reasons why many more people than expected decided to become 'Kolín-ers'. Instead of moving for good from Ostrava or Northern Bohemia (regions with the highest unemployment rate), they commute on a weekly basis, sharing a flat in Kolín over the week. Interestingly, the largest share of commuters working for TPCA Kolín come from previously industrial Northern Moravia, while only

about two hundred workers come from abroad (Poland and Slovakia).

When it comes to correctly estimating the relationship (cast as a percentage) between the regional, national and international workforces (due to lower wages, higher unemployment at the national level, and different policies, this is not a relevant phenomenon in Slovakia at this point in time), it is misleading to limit the analysis solely to the core factory. As it is often stressed by advocates of public subsidies to large investors, investment is followed by 'spin-off' factories that produce components or provide services for the company and its employees. The importance of this effect can be illustrated by the fact that about 90 % of components used by TPCA Kolín are produced in the Czech Republic. An accurate analysis of employment effects of large investments should carefully assess whether the establishment of these companies leads to the reduction of regional unemployment rates, or whether they provide employment to people from other regions and countries. Unfortunately, this task goes far beyond the scope of this text.

In the case of Trnava, flats were not provided by the city. Rather the PSA and private operators of workers' dorms fulfilled that function. In the latter case, PSA subsidises the housing costs. Mr. Gavalec observed that a similar pattern as the one between Kolín and Northern Moravia (a less developed part of the Czech Republic), can be found between Eastern Slovakia and booming places like Trnava or Bratislava: "Slovaks and Czechs do not really like to move for good. It is more typical that a person from the east would rent a small room in Trnava and use his earnings to build a luxury house in his home village, where he has his family." According to Mr. Gavalec, there

are still many people in the east who would be eager to work but who are not ready to leave their home region: "That's why investors start to discover hitherto unattractive locations like Rimavská Sobota." At the same time, private companies like 'Lugera and Mahler', 'Personal Services' and 'Manpower', who in the beginning faced no difficulties in recruiting labour in regions with notoriously high unemployment, find it increasing hard to organise successful recruitment campaigns for PSA and other large investors.

## Conclusion

Citing the cases of Kolín and Trnava, two cities in the Czech and Slovak republics which have recently attracted direct foreign investments from the Peugeot-Citroën corporation, this article sought to uncover aspects of the relationship between the mobility of capital and labour in the European common economic sphere, a sphere characterised by the persistence of acute differences in wage levels.

In view of the unemployment rate in the EU's new member states, which continues to hover above the average of the EU-15, it might be surprising that foreign investors are facing increasing problems in attracting workers for their factories. Firstly, this is the result of differences in regional development. Preferring regions that are accessible via international transportation networks, investors are reluctant to locate to poor and/or marginalised regions, where unemployment is highest. Naturally, this applies especially to high technology industries such as car factories, where production depends on seamless connections with a large number of suppliers.

Due to regional mismatches between labour demand and supply, a frequent demand calls for greater flexibility of the workforce. Young people especially should move to places with positive development prospects rather than remaining unemployed in distant Eastern European villages or former industrial towns. The significant migration from Poland, Lithuania and other new member states to Great Britain and other Western countries demonstrates that many people are in fact ready to take this step. However, especially in the case of people from Romania and Bulgaria, which are sometimes seen as the saviours for Central Eastern European labour markets, it is not clear why they should prefer Kolín to Kent or Cologne, if wages in the latter places are four or five times higher. And even for people from disadvantaged regions in the Czech Republic or Slovakia, it is often simply not attractive to move,

## Stages of Settling Down. Roses and Thorns 3

Let us start with the formerly mentioned moving category. Given the type of the labour market here in Luxembourg, which heavily depends on banking and financial businesses, people tend to come and go following their contracts that are very often fixed-term. Many of the people who came to work here have partners and families in their home country. If they want to keep them they stand in front of three choices. Either they move back home after some time, their partners and families join them here or their commute regularly. I know many people who work here during the week and then go to their home country (be it Italy, Czech Republic, Germany etc.) almost every weekend. These guys perceive Luxembourg as a working place while their private life

because salaries are not attractive and the rents on the free housing market are too high to allow for a decent living.

No one would seriously propose the controversial arrangements of Kolín, where two international corporations managed to convince the city to massively invest tax money into public housing for its own workers, as a model for other cities. Instead, it seems that at least in Central and Eastern Europe's regional centres of growth there will be no alternative to the gradual conversion of wages to Western standards. If this happens workers will have the money necessary to behave flexibly even in the face of tight real estate markets. And for those investors, who are not willing or able to pay decent wages, there is still the option to move to more remote places. As the example of Trnava, where some companies relocated further east in the face of increasing wages, demonstrated both of these processes are already taking place. So could it be that we are really on the way to some sort of equilibrium?

#### Bibliography:

- EU NEWS 39/2006 - 2006/05/03: *Enlargement, Two Years on: All Win as New Member States Get Richer*. 5.3.2006. Available at:  
[http://www.deljpn.ec.europa.eu/home/news\\_en\\_newsobj1699.php](http://www.deljpn.ec.europa.eu/home/news_en_newsobj1699.php)
- FEARN, J. 2004. *Too Poor to Move, Too Poor to Stay. A Report on Housing in the Czech Republic, Hungary and Serbia*. Open Society Institute. *Local Government Reform Initiative*. Available at:  
[http://lgi.osi.hu/publications\\_datasheet.php?id=260](http://lgi.osi.hu/publications_datasheet.php?id=260)
- FRANCE PRESS AGENCY. 2007. *Central European Carmakers Confront Skills Shortages, Higher Wage Claims*. 17.3.2007
- LESCHTINA, J. 2005. 'Můj soused Toyota (My neighbour Toyota)'. *Víkend Hospodářské Noviny* (29.03.2005). Available as a quoted article at:  
<http://www.sedlakjan.cz/index-sedlak.php?cat=03.dalsi&art=03.04>
- MELISSA, J. S., BERNARD, F., LODOVICO, P. 2003. *European Integration, Regional Policy, and Growth: Lessons and Prospects*. World Bank.
- VDA. 2004. *Auto Jahresbericht*. Available at:  
[http://www.vda.de/de/service/jahresbericht/files/VDA\\_2004.pdf](http://www.vda.de/de/service/jahresbericht/files/VDA_2004.pdf)

Interview with

# Maciej H. Grabowski

Vice president of The Gdańsk Institute for Market Economics, Gdańsk, Poland

BY KRZYSZTOF CIBOR



Let's start with definitions. Why workers' mobility is good for society and the economy when labour migration is perceived by people as something incorrect – either it's immigration ("they are stealing our jobs") or emigration, ("we loose our best people")?

To be precise, mobility means two different things. First it is the ability to change profession. And it is the main problem in Poland: Poles don't want to be retrained. Following that, the adaptation of supply and demand on the Polish labour market is so time-consuming and ineffective. The second meaning of mobility relates of course to resettlement of workers. During the 70's in Poland many people moved from villages to big cities. However, since 1990, this kind of mobility has decreased. And now we can observe mobility once again with huge numbers migrating abroad.

People should be able to work there, where their labour efficiency is better – i.e. earnings are higher. Therefore workers mobility is advantageous. Of course a worker who decides to move often doesn't calculate

all of the costs. Not only economic, but social as well. Polish people's negative attitude towards emigration has its historical context. In the 80s more than one million Poles left their country because of the bad economic and political situation. It was a very traumatic experience. A majority of these people, as well as Polish labour migrants from the 20s and 30s, didn't experience any progress civilisation wise. It was emigration from peripheries to peripheries. They moved to ethnic ghettos in Chicago, Germany or Australia. They weren't successful – in an economic, but above all in a social sense of the word.

Nowadays it's not only 'people from peripheries' who are migrating. There are more and more high-qualified workers moving from our country. Is that a global tendency?

It's a result of so called globalisation, and a free flow of money. According to OECD's data, the general number of migrants is increasing, but for about 15 years the figure of well-educated migrants has been increasing even faster. As for Poland,

I don't know if we could definitely say that current migration differs extremely much from the former one, considering the structure of educational level. It's a fact that we have three or four times more students now than 15 years ago. And – generally – young people, who have just graduated without children or families, form the core of the migrant's contingents. So actually we can't determine whether the amount of well-educated migrants is increasing, or if we are observing a general change in social structure. The problem, which is often mentioned in the media, is of course so called brain drain. But – in my opinion – it is a more universal problem as well. In Spain and Italy (by the way – they used to be 'sending' countries) there are a surplus of well educated people. They must take a job 'below' their qualifications. Some researchers use a term 'overeducated society'. It is not too precise – in a 'normal' country everybody who wants to learn should have a possibility to do so – especially when he or she is paying for it.

In your publication, you discuss

how to 'import' well-educated workers into Poland. Shouldn't we, instead of doing that, just try to keep 'our' well-educated workers in the country?

Definitely. But in my opinion, we must do both. It's an absurdity that a very good programmer graduating from good Polish high school has to leave Poland two months after he gets a diploma – only because he's originally from Ukraine. There is no other country in Europe proceeding like this! Not in Germany, nor Finland. As the 'war for talents' grows we cannot raise any extraordinary barriers if we don't want become a loser.

What is a reason for this kind of immigration policy by the Polish government? Are Polish people afraid that immigrants might take our jobs?

Absolutely not. I've never heard that opinion – that we don't want to receive migrants. Despite the estimated 200-300 thousand workers without permits, mostly from Belarus and Ukraine, there hasn't been any important social resistance against it. It is especially true that our close neighbours are welcomed. In Poland we've never had any 'immigration policy' probably because there wasn't any reason for it. Some analysts even say that it's good. For them an 'immigration policy' is always something emerging from another 'more important policy', such as foreign policy or labour policy. If there is no 'immigration policy' clearly there aren't any problems which the 'more important policies' can't solve themselves.

Even if that was true once, it isn't any more. The world has changed very quickly and we

didn't keep up with it. We overslept. Last year the Polish government started the first programs concerning immigration, but in my opinion they are wrong. We want immigrants to reduce gaps on the Polish labour market. And it has no future. It is what the Germans were doing in the 70s. They were inviting Turks and people from Yugoslavia. But the structures of economies are changing and immigrants are staying in their new countries to live. And they could be seed of some social conflicts. If we encourage immigrants to take up a job in sectors of the economy, which are no longer developing, we will have great problems with that sooner or later. The Polish government has opened up the labour market in agriculture for foreign workers. But it's obvious, that in the following ten or fifteen years at least few hundred thousand people will have to leave jobs in this sector. By giving jobs to immigrants in agriculture today, we make a reform of this sector much more difficult.

Is there any data estimating educational level of the migrant population in Poland?

Of course there isn't. Polish immigrants mostly work in the black economy. We have some data from the Migration Department of the Ministry of Labour, but it's fiction. And it's not only in agriculture or the building industry where people work without any form of compulsory registration. There are many white-collar workers in the black economy as well. For the same reasons: bureaucracy, taxes...

Could Poland become an attractive receiving country?

It's very difficult to compete with western countries with respect to earnings. They are two times lower in Poland than for example in Great Britain, even if we consider the costs of living. Nominally they are of course much lower again and a migrant pays attention to nominal incomes.

But Poland could be attractive as far as it is going to develop fast. Then the perspective is wider, for the economy, as well as for an immigrant. A migrant regards money she could earn, but she also regards the perspective of development. Another good reason to choose our country is distance. For the programmer from Ukraine, as mentioned above, Poland is closer than the West. Of course flying from Kiev to London takes less time and discomfort than a bus trip from Lviv to Warszawa. But Poland is closer for him in a cultural sense of the word.

Do you advise to invite workers from our nearest neighbours?

We discussed this question in a seminar and the results were, alas, unsatisfying. Migrant's potentiality just behind our Eastern border is extremely low. There are not so many young people in Polish Diaspora living in Ukraine or Belarus who want to move to Poland. And generally the demographical situation in Belarus and – especially – in Ukraine is dramatic! We cannot expect that migrants from these countries could refill the gap caused by the estimated 800 thousand Poles who just left. Nevertheless we must somehow activate our 'immigration policy'. Because there is a number of potential well educated migrants, but our regulations push them out of our country. We waste this poten-

tiality with no reason! Of course it's difficult to say, whether it would be thousands or tens of thousands people this would effect.

What about the immigration policies of other countries from our region?

Totally different. The Czech Republic has implemented some pro-migration mechanisms, like the points system. The Czechs have a long tradition of receiving labour migrants. In the 70s there were contingents not only from Poland, but also from Vietnam working in Czechoslovakia. Furthermore the unemployment rate in ČR during the transformation period was on a rather moderate level. Both of these reasons make the Czech policy towards migrants easier.

As for Hungary, their migration policy is focused on the Diaspora in Romania, Slovakia and Serbia. It seems that this Diaspora is more inclined to move to Hungary, than Polish Diaspora from former Soviet coun-

tries. It should be stressed however, that Poland still has much better demographical factors than other v4 countries and that this is a possible reason in explaining why we don't care so much about building an efficient migration policy.

But our demography is changing. Poland is losing our young people.

Definitely! Maybe our depopulation rate caused by migration is not as dramatic as for example in Lithuania, but in fifteen years in Poland the number of people between 16 and 24 years will have dropped from 6 to 4 million.

# Interview with Kateřina Čeňková

Project Manager at CzechInvest (the investment and business development agency of the Czech Republic), Prague

BY MARIE JELÍNKOVÁ

There are many important foreign investors in the Czech Republic you have worked with. These investors partly employ foreign labour. How do you assess the legal framework for employing these migrants?

Even though these major investors usually hire some agencies to take care of the visa procedures of their foreign employees, unfortunately they still face some problems. In my experience the main one is the length of the immigration procedure. For example, just to get the long term visa may take up to 120 days and that is only the visa part, it excludes the time taken to get permission to hire foreign nationals and a work permit. Another issue is the frequent changes in foreign law and different requirements of documents by authorities.

If we focus on the Czech migration policy, how would you characterise the recent development? Were there some major changes in the last few years?

There were several legislative improvements. CzechInvest coor-

dinates a working group together with relevant Ministries and external subjects, focusing on legislative changes which improve the business environment. Let me give you few examples: it is not necessary to submit the Criminal Record from foreign countries any longer; a parallel procedure is allowed when applying for a long term visa for the purpose of employment and a work permit. Presently, you do not have to wait until the work permit is issued to apply for a long-term visa. Last but not least, it is possible to apply together for the long term and short term visa at the same time. Furthermore, in cooperation with the Ministry of Interior we have suggested to shorten the long-term visa procedure from 120 to 90 days. At this moment the experts at the Ministries are working on the introduction of green card concept to attract foreign specialists.

Some people argue that huge foreign investments create many jobs not just for Czech people but also for other workers from countries like Poland or Slovakia.

What is your opinion about it?

The Czech Republic as well as other European countries has to face a profound phenomenon – a shortage of labour force in some sectors. The huge foreign investments undoubtedly have a significant contribution to the Czech economy. We are convinced that it is more important to bring in a foreign investor who creates job positions mostly for Czechs and a small number of foreigners then to loose the investment all together. In my experience, almost all companies prefer to employ Czech workers and not migrants from Slovakia or Poland, as the Czechs are more stable and do not have to face communication barriers. Unfortunately, the Czech social system is very generous and so does not motivate people to work. I hope that the system will be changed soon.

What are the most common countries of origin of migrant workers?

Naturally, the workers come from neighbouring countries. The Ukrainians are also quite common. And the qualified work force varies a lot and



depends on the investor and country of its origin.

When an important investment is prepared does CzechInvest analyse the ability of the region to offer sufficient number of workers and skilled labour?

We always inform an investor about the labour pool and unemployment in a potential region of investment. The investors also have meetings with the recruitment agencies and labour offices who are well aware of the actual situation on the labour market. Moreover, before the final decision is made the investors visit local companies and discuss various aspects of investment including labour force. A good example of such analyses could be the Ustecký region where the local labour pool was analysed for Hitachi and IPS Alpha. It was analysed as to whether there is sufficient numbers of workers and if the possibility of employing of Czechs from others regions exists. CzechInvest and the labour offices made these analyses together.

Does CzechInvest play an important role in the process of recruiting the labour force for the new investors?

Even though we do not work as a recruitment agency at all, there are several ways how CzechInvest influences the recruitment of workers. First of all there is publicity in the media from press releases. This is usually the first time information is known by potential employees. We also try to help by setting up the cooperation among an investor, labour offices and schools.

How would you characterise the mobility of Czechs within the Czech Republic?

The people were not willing to move in the past but the situation has improved a lot. I am afraid the property market is still not flexible enough to be able to satisfy the demand when not talking about Prague or Brno. In general, the Czechs are leaving mostly from the Moravia-Silesia and Olomouc regions and moving mainly to Prague and Central Bohemia.

TPCA (Toyota Peugeot Citroën Automobile) car company near Kolín employs about 10 % of manual workers (approximately 300 people) who come mostly from Poland and Slovakia. 10 % is – in comparison to other companies – not much, but do you believe that there was the possibility to employ more Czechs?

Well, it is hard to employ more Czechs because of low rate of unemployment in that region. However, TPCA offers very good wages and is introducing a new attractive benefit system, which will most probably cause a bigger migration of Czechs even from regions further away to TPCA.

What strategies do these companies employ to attract Czech workers?

Usually, the companies try to offer competitive salaries and benefits. Also, cooperation with high schools and universities is very good strategy how to attract potential employees.

While studying the case of TPCA I was surprised that the flats for workers were financed by both the state and the Kolín town. However, the possibility to hire and live in the flat is closely connected with work for TPCA. Isn't it a bit unusual? Do you see it as a barrier to labour mobility?

In regards to the fact that the

offered flats are rental and cannot be transfer to the private ownership, I do not see it as barrier to labour mobility. I would also like to point out that although the flats are offered to TPCA, if the demand is not met than the flats can be rented by anyone.

It was expected that the unemployment rate in Kolín region will significantly decrease when TPCA came. A good example of this can be the Mladá Boleslav region where the Škoda-Volkswagen car company is situated. The unemployment in Mladá Boleslav is now about five percent which is four percent under the average in the ČR. Surprisingly, this has not happened in Kolín at all. How do you understand it?

Let me disagree. According to the figures of the Ministry of labour and social affairs, when TPCA came to Kolín the unemployment rate was 10.2 % in January 2002. The recruitment process started in 2004 and the unemployment rate dated to January 2007 is 6.44 %. Please note, that the new jobs are not just created only by the company itself but also by all participating companies who are at the beginning of investment realisation. The investment also decreased the unemployment rate in other regions as many of the employees came from other regions.

There are many big investors who create new jobs in the Czech Republic, however, a large percentage of them is in the car industry. Do they really create new work places or is it more about the job flow of the workers?

The job flow is very natural phenomenon. The employees have right to choose for whom they want to work for (it might be in-

fluenced by wages or working conditions). Even if people change their jobs, there must be somebody new coming to replace him or her. On the other hand, the decreasing rate of unemployment at the location where the investors are placed (for example of Škoda-Volkswagen mentioned by you) clearly shows the new jobs are created for unemployed people as well for graduates.

There are estimates about out migration from the Czech Republic which shows that out migration is in comparison to other Visegrad countries very low. On the other hand in migration is quite high. There are about 300,000 migrants in the ČR which has about 10 million people. How would you explain this situation?

In my opinion, the Czech economy is prosperous. The Czech Republic can boast very good living conditions, the highest salaries amongst v4 countries and many job opportunities. This can explain why the Czechs do not migrate as much as the others and these factors along with the changes in demography attract foreigners here. I would like to also mention, that the mentality of Czech people plays important role in out migration.

Do you think that the high number of foreign investments correlates somehow with the higher number of migrants in the Czech Republic?

Yes – as new foreign investors create many new jobs. The foreign specialists are even attracted by

the well-known name of the company which only shows their interest in staying and working in this country.

To compare the Czech Republic and Slovakia. Although Slovakia undertook the huge reforms, investment in 2006 was € 160 per person compared with € 380 per person in the Czech Republic. This means that the investments into the Czech economy were more than twice as big. Why is the Czech Republic so interesting for investors?

There are many crucial factors, which influence it. The main ones are: a well qualified labour force, the location of the country, the services of the government, political stability and a well-developed transport infrastructure. Good experiences of previous investors also lure further the investors to the Czech Republic

Do you think that the Czech migration policy is specific or different when compared to other v4 countries?

It is certainly different, however, the immigration rules within EU have to be unified in coming years. There are also debates in EU about unit migration policy, which might lead to the introduction of so called 'blue cards'.

Some states like Germany and Austria are afraid that after opening the labour market the out migration of Czechs will increase significantly. What is your opinion?

Some countries have already

opened their labour markets and the out migration was not high. For that reason I do not expect that a higher out migration will be an issue in the Czech Republic. People who wanted to migrate have already migrated because the legal possibilities already exist.

Do you think that brain drain is or will be an issue for the Czech Republic?

Up to now, most Czechs studying or working abroad always expressed their plan to come back to the Czech Republic after a few months or years abroad. Conditions at Czech universities are improving and both foreign investors and domestic companies offer interesting jobs in high-tech manufacturing and R&D. I thus do not expect any dramatic out flow of educated and skilled people.

# How Much Does Brain Drain Cost

## and How Can It Be Combated?

VLADIMÍR BALÁŽ



sk

After 1989, the gradual removal of passport and visa barriers in Central Eastern Europe (CEE) has been reflected by a large influx of temporary and permanent migrants from this area to the EU and USA. At first, increasingly restrictive immigration controls tried to restrict influx of labour migrants. Skilled workers from CEE, younger people in particular, used other migration channels such as tourist visas, au pair permits, and student exchanges to secure short-term entry to the EU for training and/or formal and informal employment. Moreover, the strategic aims of skilled migration regulation have changed in the old EU Member States. Many European national states have increasingly sought to recruit skilled labour in response to rapidly changing (mostly expanding) skill gaps in their economies. In August 2000, the German government instituted a 'green card' programme for computer and technology specialists. UK has long been operating the Highly Skilled Migrant Programme. In Switzerland, students are no longer compelled to leave at the end of their course and may apply for an employment visa (OECD 2002). Measures supporting immigration of skilled labour have also been introduced by Norway, France, Ireland, Denmark and Netherlands (McLAUGHLAN and SALT 2002).

There is an ongoing debate about whether the migration flows should be understood as pure loss of labour force from the perspective of CEE countries or rather in terms of human capital formation and transfers. The latter can be termed 'brain distribution' and 'brain redistribution' through mobility. There is a typology of 'brain distribution' effects which posits a range of human capital outcomes of migration. This includes brain

gain, brain drain, brain waste, brain circulation, and brain overflow. Brain drain refers to the loss of human capital in the sending country and the gain of human capital in the country of destination. Brain waste happens if skilled labour is unable to find skilled jobs in the country of destination. Brain overflow refers to overproduction of human capital for which the country of origin has no efficient use. Brain gain is probably the most favourable outcome of international migration. Skilled labour returns back to its country of origin with formal schooling, experience, and/or tacit knowledge from the country of migration destination. Thus the country of origin increases its human capital. These are differentiated in relation to economic conditions in the countries of origin and destination as well as the temporality of migration. The scale of 'brain drain' is staggering. Nearly one in ten tertiary-educated adults (those with some university or post-secondary schooling) who were born in the developing world now live in the developed world (LOWELL, FINDLAY and STEWART 2004). This accounts for up to one-third of the developing world's science and technology personnel. Brain drain has long been recognised as a policy concern (PEIXOTO 2001, LOWELL and FINDLAY 2001), whether in relation to migration amongst developed economies or, more recently, between these developed countries and the less developed countries (mostly associated with the Third World countries but, given large disparities in personal income, also with the former CMEA members).

This paper examines three important areas of migration studies which relate to post-1989 migration outflows from Slovakia:

1. It estimates the scale of 'youth brain migration' from Slovakia, comparing survey-based and expert-opinion estimates with the author's own estimate based on reconciling labour market and educational data. This estimate identifies a substantial loss of graduate workers from the labour force through migration, accounting for a potentially significant proportion of GDP growth.
2. It considers whether such migration would constitute 'brain drain/overflow' or 'brain circulation': in other words whether it is temporary or permanent. There are strong links between initial temporary migration and intended permanent migration, explored here through a survey of the motivations and social networks of returned migrants.
3. It addresses the ability of states to intervene to mediate such losses.

#### Scope of Migration Outflows from Slovakia

Official migration statistics are poor guides to international labour mobility (e.g. SOPEMI) because in the destination countries, such data only includes legal workers and asylum seekers, while countries of origin only register permanent emigrants, at best. Given these data deficiencies, there are a number of techniques for estimating international migration. Two widely-used methods are population surveys (to establish potential emigration) and expert opinion which (in the case of CEE) may involve analogies with Southern European emigration in the 1970s and 1980s. The former is criticised for exaggerating migration potential through confusing interest in and commitment to migration, while the latter is criticised for ignoring the contingencies of time and place. This paper, therefore, also explores a third approach based on reconciling labour and educational statistics.

The Slovak Research Institute of Labour, Social Affairs, and Family undertook several analyses in 2000 based on a sample of 1400 individuals aged 18-64 (reported by the 2004 IOM Report). It identified a very high level (32.9 %) of 'general inclination' to work abroad for more than one month. This survey, however, failed to distinguish different levels of interest and intention, and therefore overestimated potential emigration. If this was not the case and this survey was accurate, then Slovakia would face losing one-third of its labour force. Not surprisingly, a later survey by IOM estimated potential migration (general inclination to migrate) at the lower level of 17.7 %, whilst only 2.1 % had actual intentions and had made preparations to migrate. Migration is, of course, selective, thus young, well-educated

#### Leaving Blog

I have worked in the Britain for almost three years and then returned home this Christmas. I am blaming my soul, I lost her somewhere on my way home, if not even long time before.

It is so hard to move. Anywhere, anyway. I found it so difficult to go to abroad and then even more difficult to move home... scared of meeting with people who I have known for long time, people who changed because their lifestyle changed. Topics of discussion during these almost three years moved from culture, movies, work ambitions... to children, mortgages, politics. Men are loosing hair and putting on weight, my girl-friends started to have wrinkles around eyes and lips and began to use hair-dye because of the first grey hairs. I know, I am exaggerating a little bit. But it is time to face it. When meeting with friends, more and more have children and still less and less are single friends. I am telling myself to stop comparing me with them. Sometimes I am asking myself if I made good decision to go abroad and then come back facing my friends and their progression on the job market. Some things are really very hard to explain.

I love to listen to the beautiful Slovak language in the bus, the variety accents from around of Slovakia. I love to eat the most absolutely gorgeous food in the world. I love to ski, walk in the great Slovak nature.

At home. I found a job. It is not a dream job, but I am happy. Hopefully, I will get my first salary tomorrow. Happy end. Still hoping, that my soul will find me. **Ivana 07.02.2007**

people from new EU member states are more likely to migrate. The Research Institute of Labour, Social Affairs, and Family recorded an even higher proportion (54.6 %) of those aged 18-24 having a general interest in working abroad for at least one month, rising to 71.4 % amongst students. Even if the actual proportion of students likely to migrate is much lower (the latter is based on the one month criterion), this constitutes a potential youth brain exodus, at least temporarily.

The second approach is based on expert opinions with comparisons to earlier Southern European experiences of EU accession. A survey of informed academics and practitioners (BAUER and ZIMMERMANN 1999) suggested that, 'as a rule of thumb', East-West migration was likely to involve 3-4 % of the total population of CEE countries after EU accession. The author considers that the 'rule of thumb' of 3-4 % is feasible and, if applied to Slovakia, predicts that 160,000-210,000 Slovaks emigrated to the EU, 1989-2003. The emigrants are likely to be relatively young and well educated.

Neither of these basic methods is entirely satisfactory for estimating youth brain drain. Official

migration statistics are poor guides to international labour mobility (OECD 2006). In the destination countries, such data only includes legal workers and asylum seekers, while countries of origin only register permanent emigrants. Experts opinions may be helpful, but lack quantitative evidence. Therefore, the author adopted a third method based on discrepancies between labour market and educational data. The Slovak Labour Survey is conducted quarterly based on a representative sample of 10,250 households and includes the employed, self-employed and unemployed aged over 15. When this data is compared with education statistics issued by the Statistical Office of the Slovak Republic, strong disparities are identified between the numbers of University graduates and the numbers of University-educated workers in the labour force. In 1994, there were some 280,000 graduate workers in Slovakia, representing 12.9 % of the total labour force. A further 146,159 graduated from universities in the period from 1994 to 2002. If all had entered and remained in the labour market, there would have been approximately 426,000 graduate workers in 2002. But the Slovak Labour Survey indicates that there were only 283,100 employed graduates in 2002. In the absence of secondary data, only estimates can be made of the numbers of labour market graduate exits or absences for reasons other than migration. There are five main exit routes that are available though reasonably re-

liable data: death, retirement, disability, child-care (maternity leave), and unemployment. In addition, there are three other major sources of exits: inactivity, care (other than for children), and education. Given data limitations, the author has erred on the side of caution. Using restrictive assumptions in each case, these five sub groups are deducted from the potential number of working graduates. The gap between the two figures (426,000–283,100 = 129,351), was striking and represented an annual average loss of 14,372 between 1994 and 2002. Even if it is assumed that up to one half of the discrepancy between graduate numbers and graduates in the labour survey can be accounted for in this way, it still yields a conservative estimated annual average loss of 7,186 per year. This does not seem particularly high, representing only some 0.4 % of the total labour force, however, as will be discussed later, this has a significant impact on production.

Finally, there are official numbers of Slovak citizens employed in the EU-member countries after 2004. These round up to some 220,000 (with the UK, Ireland and the Czech Republic being the major migration destinations). This represents some 4 % of total Slovak population (good match with the expert opinions) or some 10 % of the total active labour force. Official statistics (OECD 2005a and OECD 2005b) indicate that some 15 % of migrants (33,000) have university education. However, it could be assumed that migration after 2004 involved mainly workers with secondary education. The work permits were difficult to get prior to 2004 and the university students and graduates had much higher chances to get jobs abroad given their better education, language abilities, and experience. The opening of labour markets by the UK and Ireland enabled an influx of less skilled workers. This is corroborated by the structure of jobs taken by Slovak nationals in the UK in period 2004-2006. Most jobs were middle-skilled and taken in administration, business and management, hospitality, catering, and agriculture (DWP 2006).

#### Costs of Brain Drain

Costs of brain drain by people with university education could be estimated via standard production function. Slovak output increased by 4.2 % per annum, 1994-2002. The contribution of skilled labour can be identified by first considering the basic production possibilities, described by the Cobb-Douglas production function. The function enables us to see (a) decomposing effects of labour and capital on total growth in income, and

## School is Fun

There are a lot of events that make me feel more self-confident as a parent and reassure me that my decision to provide different start for my children (in Canada) was a good one. **Zuzana 20.02.2007**

### Criticism

Last time I wrote about school here. There certainly are a lot of good and some less good things in Slovak school system. Let's name those most visible and most unhealthy ones: giving marks, memorising stuff, not giving enough space for kid's individuality, too much authoritarianism in communication with children, too much stress in the schools and last but not least teachers are not compensated appropriately for their work. But we can be absolutely sure the kids are safe and the school is open from 6.30 AM to 5 PM This is rare in the world and we should be proud not only for this but for the effort of the teachers to educate children in the system, which does not provide their professional development and compensation in proper way. **Zuzana**

(b) further refining effects of labour force on numbers of workers and stock of their human capital:

$$y = AK^\alpha L^{1-\alpha}$$

where  $\alpha$  is the fraction of national income appropriated by owners of capital and  $1-\alpha$  is the fraction appropriated by labour;  $K$  is capital,  $L$  is labour and  $A$  is technology. Labour input  $L$  can be disaggregated into the number of people working,  $N$ , and their skills,  $e$ , so that

$$L = Ne$$

Output is measured per worker. Output per worker,  $y$ , is obtained by dividing both sides of the production function  $N$ :

$$y = ak^\alpha e^{1-\alpha}$$

where  $k = K/N$ , is capital per worker, and  $e$  is skill of the worker. Output per worker can be increased in three ways: increasing capital per worker,  $k$ ; through investment; increasing workforce skills,  $e$ ; primarily through investment in education and training; or increasing technology,  $A$ .

Skills are usually measured either via investment in education, years of schooling/education, or return on education. This paper employs the latter approach. Labour economists estimate that the individual return to an extra year of education ranges from 5 to 15 %, with developed countries tending to have lower returns than less developed ones. Most higher education programmes in Slovakia are of 5 years duration, so the return to graduates will be in the range of 24-75 %. The average wage differential for workers with and without higher education (1.678) is close to the upper border of this estimate. In part, this reflects the relatively low proportion of graduates and related labour market shortages in Slovakia. It is also assumed to employ the same ratio in the use of physical capital by highly skilled and unskilled workers.

In applying the production function equation to analysing GDP per worker in Slovakia, 1994-2002, the total GDP growth of 4.2 % cent per year can be decomposed into 1.8 % from increases in skills (education), 1.3 % from capital inputs, and 1.0 % from total factor productivity (summing to 4.1 rather than 4.2 due to rounding). Total factor productivity is the effect of simultaneous investments in human and physical capital; this can overcome decreasing marginal productivity if only either labour or capital is increased. Total factor

## People I Work with

The working environment surely determines the sample of people I work with. The nature of my position doesn't require any specific skills or education so my work colleagues are mostly the school drop outs. Apart from my boss I am the only foreigner there and the only person with higher education than the basic one. Of course, the management encourages the staff towards NVQ qualification in caring area but only a few of them are interested.

One would think the school doesn't matter but sometimes it's hard to believe how poor the general knowledge of my workmates is. Spelling and writing problems are common, understanding of history, geography or politics is nil. For example, one of my colleagues went to Prague for a weekend and didn't know what country's capital it was thinking it was a country on its own. Still, she was better than the others who were convinced Prague is an island in the Atlantic Ocean. This is still acceptable innocence compared to surprise of another person when finding out that Scotland lies on the British Isles and not in Eastern Europe or that Turkey is not one of the Canary Islands. Funny as it sounds I was given the explanation that the flying objects above us are not planes but spaceships because planes fly horizontally not vertically...

The most common topics people talk about are shopping, drinking and sex, not much else. As long as I want to customize and assimilate, I must get involved in these discussions. Sometimes it's easier to pretend what new designer stuff I bought after pay day than to explain I don't fancy shopping at all.

To make some conclusion it wasn't difficult for me to assimilate at work as people were mostly friendly and quite broadminded with my English. More complicated seems to be the task to find real friends with similar hobbies and opinions. This has always been easier with the foreigners as they understand each other better regarding the life abroad. **Radek 16.01.2007**

productivity also incorporates new technologies and organisational improvements which cannot be measured directly.

Using the above calculations, if the 7,186 graduates (half of estimated annual average loss of 14,372) assumed to emigrate annually were, instead, retained in the Slovak workforce, GDP would increase by 4.8 % rather than 4.2 %. The increase is disaggregated by production factors as follows: education 1.8 %, physical capital 1.4 % and total factor productivity 1.6 %. Education is constant in the two models but better use of capital by skilled workers (that is, simultaneously increasing  $K$  and  $L$ ) increases total factor productivity. Therefore, estimated annual GDP growth would be 0.6 percentage point higher assuming zero graduate migration. As the estimated graduate migration of 7,186 per year only represents 0.34 % of the total

Slovak labour force, this underlines the considerable economic contribution of highly skilled labour in an economy with significant shortages of such workers.

These computations also have some limitations. First, we do not know what proportion of the migrants abroad intend to return. In Southern Europe, where most migrants were relatively unskilled, the return rate was estimated to be approximately 50 %. In Slovakia, the IOM (IOM 2004) estimates permanent migration represents only about one third of all potential migration. In addition, some may return to retirement or to other forms of economic inactivity, depending on age and savings. There is no reliable data for CEE on these points. Therefore, the estimate of production losses strictly can only be understood as an estimate for a historically specific period. Secondly, migrants may acquire enhanced skills and capital abroad which, on return, will increase their productivity compared to pre-migration. Thirdly, there is no reliable data for remittances, though these are not likely to be negligible. Gross official remittances (by the National Bank of Slovakia) to Slovakia are USD 24.16 million, equivalent to 0.1 % of GDP. On this basis, the net loss to GDP through migration is ameliorated to 0.5 % compared to the gross loss of 0.6 %. However, this ignores multiplier effects. Although there are some problems with comparisons it must be noted that in Mexico each dollar of remittance generates 2.6-3.2 dollars of GDP. A similar multiplier in Slovakia

would reduce by more than one half the estimated net losses to GDP of 0.5 %. Moreover, the National Bank reporting system only includes official payments, whereas many Slovaks probably transferred their savings through informal means, especially if they had been employed abroad illegally.

#### Policies to Combat Brain Drain

On the basis of the author's earlier estimate of annual graduate migration of 7,186 per annum, a loss of production equivalent is estimated to be 0.5-0.6 % of GDP per annum. As noted earlier, this is a conservative estimate and the actual direct loss of GDP could be substantially higher. How can governments respond to such substantial direct production losses? There have traditionally been four main types of policy initiatives for reducing the negative impacts of graduate migration: education ('overproduction' of graduates to replace those who emigrate), retention, involvement of the diaspora in development (as lobbyists, investors and returnees), and strategies to promote circulation and return rather than permanent migration. 'Retention' is considered the most effective policy option. The destination country governments should encourage temporary migration, make recruitment agencies and employers more accountable and responsible, and promote knowledge transfers and on-line working in place of emigration. Although these are worthy goals and can be effective instruments in some circumstances, their value for Slovakia (and CEE more generally) needs qualifying. Migration, in aggregate, is shaped by net forces of attraction between the places of origin and destination, and by 'push' and 'pull' migration factors. It is generally assumed that 'pull' motives are stronger in developed countries, notably real wage differences. The evidence on motivations in CEE broadly fits this pattern.

However, most Slovak skilled labour migrants have relatively short-term migration objectives (see the 1998 IOM report), although reality may be different and intentions on temporary stay abroad may turn to a permanent emigration. The 'pull' factors are not only higher wages and better career prospects, but also educational (to learn new skills, including foreign languages) and cultural (living in and experiencing different societies). Given this strong propensity for short duration migration, the key issue is the link between temporary and permanent migration. Temporary migration may be a significant platform for permanent migration in Slovakia. Current high

#### Holidays

I still remember the time when I got my first job in one marketing agency in the Czech Republic. It was in 1998 I had 3 weeks of holidays and that was it. When I think about it now, I really do not understand how I could manage everything with this amount of free time. But back to my discussion with a friend of mine...

After my reply he was nodding for a while and then he said something like: "it is not too bad". I looked at him and asked: "What do you mean by "that it is not too bad"? It is excellent, is not it? Actually, how many days do you have?" And he replied that he has got 35 or 37 days. He even could not remember exactly. I was very surprised. I know that this guy works in the banking sector, which means the private sector. And in my mind, strongly shaped and influenced by my memories of the wild capitalism of early 90s which replaced the socialistic regime in the Czech Republic, 'private sector' is always related with tough or at least tougher working conditions for employees than the public sector. But this, probably rather outdated and culturally bias, idea of mine

levels of interest in migration by Slovak migrants reflect the persistent economic gap between Slovakia and more developed EU member states. It can be assumed that many temporary migrants have acquired significant transferable skills and competences including foreign language abilities, networking capacity, learning abilities and self confidence. If they cannot match their enhanced skills and aspirations to more rewarding jobs in Slovakia, they may be even more likely to migrate permanently.

So far, economic inequalities between Slovakia and the existing EU member states remain striking. GDP per capita (using personal purchasing power measures) is only some 52 % of the EU average by 2006. Even if Slovakia continues to experience significantly higher growth than the EU average, assisted by the structural funds and other EU expenditures and investments, it will take 15 years to bring its GDP up to even 75 % of the EU average, based on recent growth rate differentials. In these circumstances, policies to facilitate economic development are likely to be policies for the longer term, although some border regions will benefit more rapidly from specific trans-border flows of capital and labour.

Interestingly, the returned migrants themselves provided broad support for this conclusion when asked to evaluate the potential effectiveness of alternative policies for reducing emigration. The author's survey on a sample of some 200 returned migrants revealed that the provision of more jobs for the highly skilled was the most highly rated policy option amongst all the migrant groups. The second highest ranked policy option was the attraction of foreign investment, which again is commensurate with their over-riding economic concerns. All the larger Slovak enterprises have been privatised since 1989, with foreign investors acquiring ownership in several cases as well as undertaking Greenfield investments. Multinational companies account for a substantial portion of total employment pay

above the national average. Less support was found for policies concerned with cheaper mortgages, increasing wages in academia and the public sector (perhaps because individuals can and do transfer from the public to the private sector), investing in research infrastructures, or providing tax incentives for returnees. The most effective policy response to permanent youth brain drain or brain overflow therefore seems to lie in economic development policies rather than in migration policies per se.

## Conclusions

Costs of brain drain may pose a considerable challenge for building a knowledge-based economy in sending countries. For decreasing emigration flows, the key is economic convergence between CEE and the existing EU member states. Increases in EU-15 and EU-10 trade are the most effective anti-emigration policies as they result in increases in real income in EU-10 and alleviation of income disparities between the old and new EU states. Trade in capital, foreign direct investment in particular, is important for combating emigration in relation to youth brain drain. If this leads to longer-term economic convergence, it may reduce youth brain drain and facilitate brain circulation. However, in the medium to long term, it is difficult to see how temporary migration can be reduced even if this was a desired goal, which is in itself contentious. Rather, it is likely to continue to be driven by educational and cultural goals as much as by economic conditions. The key issue then is how the resultant temporary migration will relate to permanent migration. The answer to that question requires intensive longitudinal studies of the migration process, rather than the partial insights that we, and most other studies, have been able to provide.

#### Bibliography:

- BALÁŽ, V., WILLIAMS, A. M. 2005. 'What Human Capital, Which Migrants? Returned Skilled Migrants to Slovakia from the UE'. *International Migration Review*. Vol. 39. No. 2, pp. 439-468.
- BALÁŽ, V., WILLIAMS, A. M., KOLLÁR, D. 2004. 'Temporary Versus Permanent Youth Brain Drain: Economic Implications'. *International Migration*. Vol. 42. No. 4, pp. 3-34.
- BALÁŽ, V., WILLIAMS, A. M. 2004. 'Been There, Done That: International Student Migration and Human Capital Transfers from the UK to Slovakia'. *Population, Space and Place*. Vol. 10, pp. 217-237.
- BAUER, T., ZIMMERMANN, K. F. 1999. *Assessment of Possible Migration Pressure and its Labour Market Impact Following EU Enlargement to Central and Eastern Europe. Study for the UK Department for Education and Employment*. IZA (Bonn). London: CEPR.
- DWP, DEPARTMENT FOR WORK AND PENSIONS. 2006. *Accession Monitoring Report May 2004 – June 2006*, A joint online report by the Home Office. London: Department for Work and Pensions, HM Revenue&Customs and Department for Communities and Local Government.
- IOM, International Organization for Migration. 2004. *Migration Trends in Selected EU Applicant Countries: Volume 7 – Slovakia: An Acceleration of Challenges for Society*. Vienna: IOM.
- LOWELL, L. B., FINDLAY, A., STEWART, E. 2004. 'Brain Strain: Optimising Highly Skilled Migration from Developing Countries'. *Asylum and Migration Working Paper 3*. London.
- LOWELL, L. B., FINDLAY, A. 2001. 'Migration of Highly Skilled Persons from Developing Countries: Impact and Policy Responses'. *International Migration Papers*. No. 44. Geneva: International Labour Office.
- MC LAUGHLAN, G., SALT, J. 2002. *Migration Policies Towards Highly Skilled Foreign Workers*. Report to the UK Home Office. London.
- PEIXOTO. 2001. 'Migration and Policies in the European Union: Highly Skilled Mobility Free Movement of Labour and Recognition of Diplomas'. *International Migration*. Vol. 39. No. 1, pp. 33-61.
- OECD. 2002. *International Mobility of the Highly Skilled*. Paris: OECD.
- OECD. 2005a. *Counting Immigrants and Expatriates in OECD Countries: A New Perspective*. Directorate for Employment Labour and Social Affairs. Paris: DELSA.
- OECD. 2005b. *Database on Immigrants and Expatriates*, OECD. Available at: [http://www.oecd.org/document/51/0,2340,en\\_2649\\_33931\\_34063091\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/51/0,2340,en_2649_33931_34063091_1_1_1_1,00.html)
- OECD. 2006. *International Migration Outlook*. Paris: OECD.
- WILLIAMS, A. M., BALÁŽ, V. 2004. 'From Private to Public Sphere, the

# Skill Shortages, Emigration and Unemployment in Poland

## Causes and Implications

IZABELA GRABOWSKA-LUSIŃSKA

The paper analyses a constellation of factors concerning on the one hand skills eroded out of the labour market at the declining phase of the systemic transition and on the other hand those behind factors the lack of creation of skills in need. The aim of the paper is to explain the phenomenal co-existence of skill shortages, emigration and high unemployment in Poland. The analysis is based mostly on the regional differentiations of Poland, which are the best ground for the explanation of causes and for foreseeing implications of these shortages.

### Introduction and Problem Definition

The causes of skill shortages in Poland are both complex and varied. A host of factors that operate singularly or in combination influence the content and nature of these shortages. The

characteristics of causes and implications of skill shortages in Poland also vary over the structure of the Polish labour market and are determined by the rationale of certain changes in the Polish economy and may co-exist with high unemployment and labour outflow (emigration). The scale of skill shortages and levels of their diversity may be a typical result of the systemic transition in Poland.

### Labour Market Adjustments in Poland

The transformation from a centrally planned economy to a market economy has been accompanied through far-reaching changes in the labour market. "Excess demand for labour and shortage of labour were replaced by a surplus of labour and shortage of jobs. Consequently, unemployment emerged and grew rapidly: the former



The full version of this text is available at [migrationonline.cz](http://migrationonline.cz)

Table 1. Key economic indicators for Poland 2000-2005. Source: Euromonitor International

|                                       | 2000      | 2001      | 2002      | 2003      | 2004      | 2005      |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| GDP (%) real growth                   | 4.2       | 1.1       | 1.4       | 3.8       | 5.3       | 3.4       |
| Inflation Rate (%)                    | 10.1      | 5.5       | 1.9       | 0.8       | 3.6       | 2.1       |
| Economically active population ('000) | 17,311.00 | 17,376.00 | 17,213.00 | 16,945.00 | 17,025.00 | 16,960.00 |
| Employed population ('000)            | 14,526.00 | 14,206.00 | 13,782.00 | 13,612.00 | 13,795.00 | 13,868.00 |
| Unemployment rate (%)                 | 16.09     | 18.24     | 19.93     | 19.65     | 18.97     | 18.23     |
| Net migration ('000)                  | -19.67    | -16.74    | -14.95    | -44.00    | -51.79    | -48.44    |
| Population mid year ('000)            | 38,648.90 | 38,638.30 | 38,627.10 | 38,605.30 | 38,569.10 | 38,530.10 |

centrally planned economy converted from a 'job rights' economy to a 'job search' economy" (DORENBOS 1999). The next stage of this transformation seems to be a 'skill search' economy.

The modernisation process of the production structures, the sectoral composition of firms and the occupational structure of the labour force in Poland have been undergoing radical changes. Undoubtedly some branches have been affected more by these changes than others. The current unemployed certainly need additional training and schooling to fit into new conditions in terms of the occupational structure. Furthermore, the skills of the population presently in employment and the new entrants to the labour market have to be adjusted to cope with the new production structure. It is clear that this allocation process has to take place much quicker than in Western Europe and is about to result labour surpluses and skill shortages (DORENBOS 1999).

#### Mismatch, Shortages, Unemployment and Labour Mobility

A lack of coherence between supply and demand creates the basis of labour market shortages.

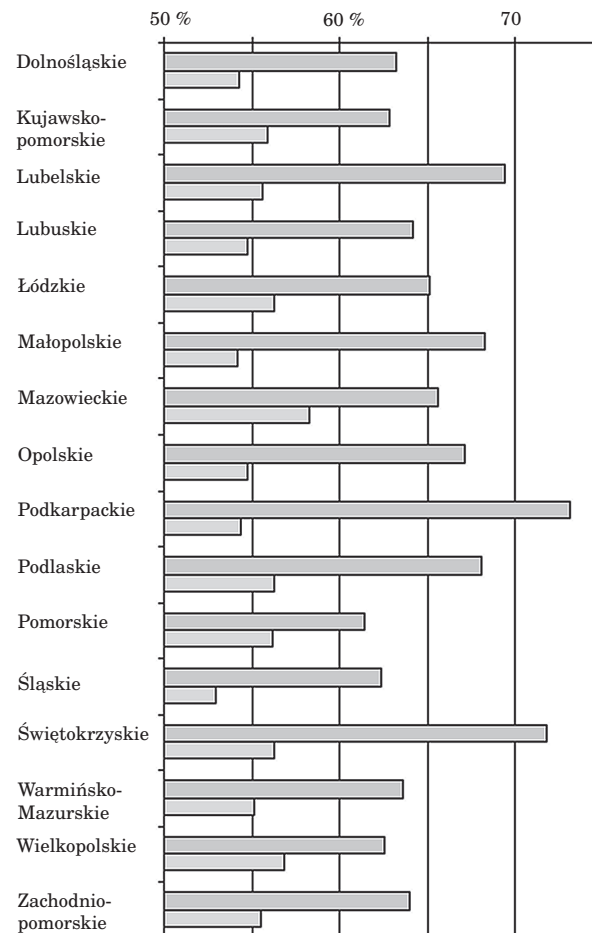
In order to explain the situation in the Polish labour market, the approach on 'turbulences' (one of four key interpretations of skill mismatch developed in economic analyses; SCHIOPPA et al 1991) in an economy seems to be the most adequate. The process of restructuring of the Polish economy affecting the labour market may also create its regional diversification. This means that this process may cause regional mismatches of demand and supply in Poland which creates skill shortages. This is well grounded in the labour market geography of Poland. Some branches of the economy are attached to certain regions of Poland e.g. shipping industry, heavy industry, agriculture. This means that certain regions of Poland have been defined by certain production activities. One may assume that regional variations in the labour markets may cause structural mismatches (GAWROŃSKA-NOWAK, KACZOROWSKI 2000). A thesis on the influence of restructuring of the economy on unemployment was verified by Kaczorowski, Tokarski (1997), Gawrońska-Nowak, Kwiatkowski, Kubiak (1998). Differentiations of regional flexibility of labour demand is also questioned from the perspective of the level of real wages and low mobility of labour in Poland. This may have a negative impact on the flexibility of the labour market and may enhance and petrify regional mismatches of supply and demand (GAWROŃSKA-NOWAK, KACZOROWSKI 2000).

#### Regional Variations of Economic and Labour Market Performance

Full employment was a major policy goal in all former centrally planned economies. Job security was anchored in the socialist welfare state. On the whole, every person over school age and under retirement age was entitled to work (DORENBOS 1999). Nowadays the situation is totally different. Excess demand for labour and shortage of labour were replaced by a surplus of labour and shortage of job and consequently a shortage of skills. The change is shown very well in chart 1 on the regional labour activity rate in Poland in Census of 1988 of the declining communist era and Census of 2002 of the declining transition period.

The changes are seen extremely well in the economic geography of Poland. Poland's regions differ considerably regarding their economies. The variation refers mainly to their economic structures, levels of development, living standards and their labour markets. This is mainly manifested in the three sector structure of the economy (agriculture-industry and construction-services) which

Chart 1. regional employment activity rate in Poland in Censuses 1988 and 2002. Source: Central Statistic Office



can be described and defined from the perspective of the sectoral split of total employment and the value added by regions (see table 3). The situation in Poland is still very peculiar because of the relatively large shares of agriculture in employment but – at the same time – the small shares of this sector in regards to their added value (KWIATKOWSKI, KUCHARSKI, TOKARSKI 2004). It is worth noting that the dynamics of change in the employment structure are significant. Although the labour productivity in agriculture (measured by value added per employee) is well below average in certain regions, labour productivity in the service sector is well above average (KWIATKOWSKI, KUCHARSKI, TOKARSKI 2004).

The following regions: Świętokrzyskie, Podlaskie, Podkarpackie, Lubelskie can be regarded as typically agricultural ones. They are located in the Eastern part of Poland and can be characterised by a dispersed agrarian structure (small farms) with a predominance of private farms which appeared in the previous systemic era. During the transition period these farms acted as 'containers' absorbing the excess of labour, easing social tensions in the labour market (KWIATKOWSKI, KUCHARSKI, TOKARSKI 2004). But at the end of the 20th century these containers had blown up, uncovering and diffusing unadjusted labour resources.

As mentioned before, the transition period was accompanied by weakening and even collapsing branches of industry. However the relative role of industry is still large in some regions: in Śląskie and Dolnośląskie but also in Opolskie, Lubuskie, Wielkopolskie and Kujawsko-Pomorskie. The high level of industrialisation of the Śląskie region comes from mining and metal industries, which have been facing advanced restructuring in the final phase of transition. Large shares in services which are a testimony of modern economic structures can be found in the Mazowieckie region (capital region) and in Northern Poland (Zachodniopomorskie, Pomorskie, Warmińsko-Mazurskie) where the large shares of services are mostly associated with tourism.

Regions also differ with respect to their GDP per capita. The overwhelming and the highest GDP per capita is in the Mazowieckie region containing the capital city Warsaw, the second one is Śląskie with its conurbation – most industrialised part of Poland. The lowest values are found in the Eastern part of Poland (Lubelskie, Podkarpackie, Podlaskie) but also in Warmińsko-Mazurskie, Świętokrzyskie, Opolskie, Małopolskie and Łódzkie. Interestingly, the sets of regions with the

## Downgrading My Ambitions

I lived in the capital Bratislava where I was born and had an interesting, responsible and variable job in public relations. So why did I leave? Apart from having itchy feet from my previous stay abroad I think it was mainly the desire to own my own place. Unlike some of our friends we were unluckily and did not inherit any flat from our grandparents. We could not imagine taking a huge mortgage that would bind us for the next 20 years or so either. If you wish you can also blame it on mine and my boyfriend's number 5 in the numerology. This number needs a constant change, has no problem to shut the door and move somewhere else.

Living abroad certainly changes the way you look at things. Nevertheless if you plan to return one day the idea may well be crushed by your family or the local thinking and living. Sometimes you can also be discouraged over a long distance. You could expect that when roaming around the world the ambitions must grow. In my case they have grown low. At least in the eyes of my parents.

I just want to do something simple. SIMPLE and meaningful. Possibly helping people. For money ;o). So I have started this holistic massage course here in Ireland. Well I had to tell my parents at some stage when they asked what I was up to? And the first reactions: "But you are a bright person... why should you end up massaging BODIES?!" "Why have you completed your university degree?" **Jana 11.02.2007**

## Why Did We Decide to Go to Ireland

There exist three reasons:

1. to learn English,
2. to save money for our future life,
3. for new adventures.

**Klementyna&Wojtek (from their profile)**

highest and lowest GDP per capita haven't changed over the period of transition, gaps have even deepened in this respect. In 1995 GDP per capita in the Mazowieckie region was 64 % higher than the lowest regional GDP while in 2002 the difference peaked at 98 % (KWIATKOWSKI, KUCHARSKI, TOKARSKI 2004). Regional gaps in GDP per capita are closely linked to regional variations in labour productivity (GDP per employee). The Mazowieckie and Śląskie regions seem to have the highest levels of labour productivity. Also Western regions have a high levels of productivity. The lowest are in Eastern, agricultural regions, namely: Lubuskie, Podkarpackie and Podlaskie. Regional differentiations of wages are considerably lower than that of labour productivity but cover the same map: the Mazowieckie region with the highest wages, followed by the Śląskie region and Eastern regions with the lowest wages.



Chart 2. Unemployment rate in regions (voivodships) in 2005 (the end of September).

Poland=17.6 %

Source: Central Statistical Office

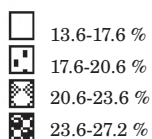


Chart 3. Emigration from Polish regions per 1000 inhabitants according to the Census of 2002

Source: Central Statistical Office

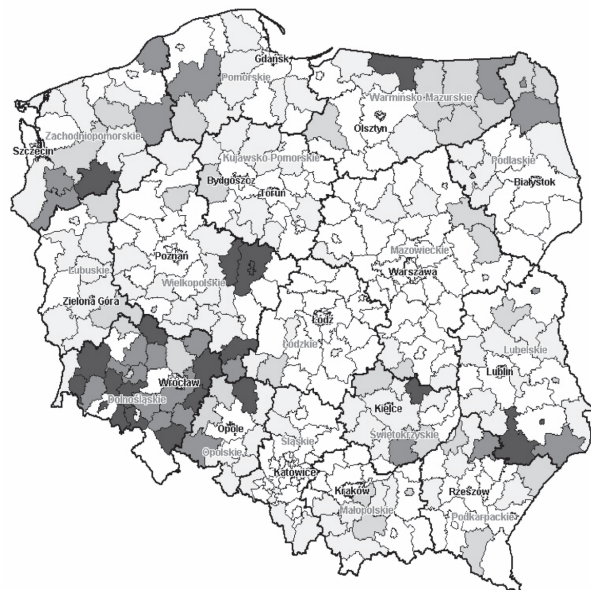
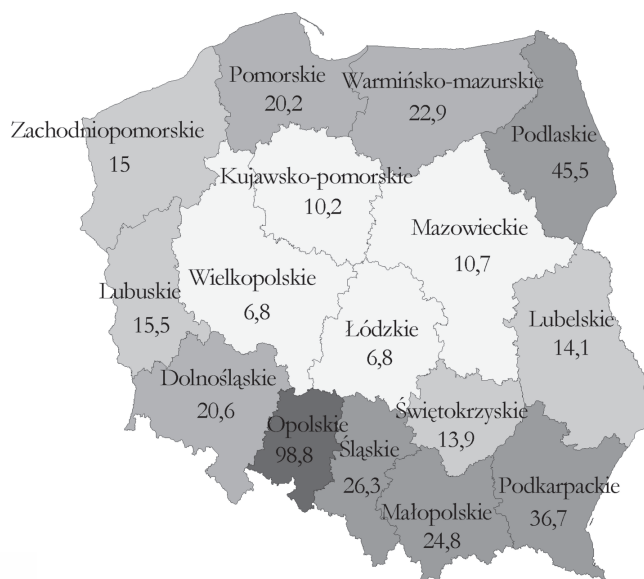
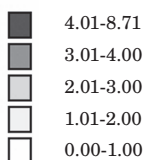


Chart 4. Rates of seasonal workers in the economically active population in Poland (%)

Source: Łukowski, Kaczmarczyk 2004



The regional map of unemployment in Poland is also interesting. Three groups of regions which were derived from the analysis of employment structures, GDP per capita and productivity levels are also seen in unemployment rates. Transformation shock made regions vulnerable in different ways to its effects. The first group of regions is defined by the process of the restructuring of agriculture. Among them are 'the biggest inheritors of the centrally planned economy': Warmińsko-Mazurskie, Zachodniopomorskie, Lubuskie, Pomorskie and Kujawsko-Pomorskie, who experienced spontaneous and unprotected measures during the process of restructuring, which led to the emergence of high unemployment. This resulted in the high drop in labour demand. The second group of regions dominated by traditional industries (at the beginning of transition the light industries followed by heavy industries) notified strong drop in labour demand, among them mainly are: Łódzkie, Dolnośląskie and Lubuskie. The smallest decrease in labour demand can be seen in three regions with modern economic structures, namely high shares of services in employment structures: Mazowieckie, Małopolskie and Wielkopolskie. The economies of these regions managed to adapt quite flexibly to meet the requirements of a market-driven economy. The process of their adaptation was mainly enhanced by agglomeration effect: of Warszawa, Kraków, Poznań (KWIATKOWSKI, KUCHARSKI, TOKARSKI 2004).

The general unemployment rate in Poland mirrors the dynamics of the transformation process which was conditioned by the rationale of certain changes in economic structure (e.g. sectoral restructuring). The unemployment rate started rising rapidly in mid 1992 (12 % on average) up to 1995 (16.2 % on average) and then started falling due to stabilisation of the restructuring process (10 % on average in 1998). The unemployment rate started rising again in 1999 and was increasing very quickly up to the end of 2005. There is no strong unemployment rate drop effect after enlargement of the European Union in mid 2004.

In mid 2006 the unemployment rate started falling with the general rate of 14.8 % in November. This may be a result of different factors: economic growth, forwarded seasonal demand (due to a mild winter) in agriculture, construction and services, and systematic outflow of labour and systematic inflow of remittances.

Poland also experiences the problem of hidden unemployment which is mostly related to work in grey economy and/or seasonal jobs abroad. This is the best example of the advancing segmentation

of the Polish labour market, with the primary sector of well-paid, stable jobs and a secondary sector (PIORE 1979) with '3 D' jobs (difficult or dull, dangerous, dirty). This structure may also worsen the mismatches of supply and demand in Poland which is responsible for skill shortages.

All these factors constructing the performance of regional labour market in Poland may suggest the strong propensity of Poland's inhabitants to inter-regional migration. In fact the inter-regional mobility is very low in Poland (inter-voivodship rates of flows amounted to 0.2-0.3 %), which may worsen regional skill shortages and create unfulfilled demand. Inter-regional flows depend on regional variation in GDP per capita as well as on regional variations of unemployment rates. As shown in the econometric analysis of E. Kwiatkowski, L. Kucharski, T. Tokarski (2004) the regional variation in GDP affected migration outflows more strongly than the regional variations of unemployment rates.

Data derived by the Central Statistical Office from the Central Population Register for 2004 show that 18,877 people emigrated from Poland, while 9,495 people immigrated to Poland. However, other sources that do not draw on the registration of permanent departures from Poland and those sources of receiving countries indicate that emigration from Poland has been systematically increasing since the end of the 20th Century, a trend that has accelerated with Poland's accession into the European Union on May 1st 2004. Data compiled from the Labour Force Survey show that in the second quarter of 2005 approximately 225,000 Poles stayed abroad for more than two months for work purposes, as compared with 193,000 in the corresponding quarter of 2004, or in comparison with 106,000 in the second quarter of 2000 (SOPEMI, KEPİŃSKA 2005). The portrait of post-accession migration from Poland is a mixture of continuity and change. The portfolio of countries receiving migrant workers from Poland is revised somewhat, without new destinations replacing old destinations (Germany still predominates), yet with the proportional representations shifting (the United Kingdom and Ireland gaining). Change is occurring mainly through the substitution of legal migration for illegal migration, with the young and the better-educated in the migration stream; and with those who migrate for the purpose of studying (SOPEMI, KEPİŃSKA 2005).

Poland still experiences pendular mobility – a phenomenon of the transition period. Pendular mobility reflects the movement of swing. People –

like a swing – were pushed out from their homes in order to earn good money in the destination place and then quickly pulled back to their home places in order to spend the money. This movement had generated main source of income for households, making majority of people involved in this movement economically inactive in Poland. This

#### Have My Life Ambitions Changed by Moving Abroad?

I don't think my life abroad has changed my ambitions. Regarding the material life, my expectations are still the same. I couldn't care less that I can buy a lot of stuff from my wages. As evidence for this I can say that we sold our car and bought bikes instead. However, the everyday challenge in a foreign country has positively shaped my personality, given me higher confidence and believe that I could be somehow successful back in my country. This is certainly my hope. **Radek**

**06.02.2007**

#### Change of Life Ambitions or Change of Direction?

I have always been ambitious and wanted to achieve something both in my work and in my personal life. Sometimes I work harder, sometimes less in order to achieve my goals. A very important thing is to find certain equilibrium, a balance between personal and working aspirations. Both aspects somehow influence my life.

I started to set my priorities. (I will write in general only about those affecting my professional life.)

1. Take some intensive English courses.
2. Get a part time job (simultaneously with English courses) – entry level position would be ok for the start.
3. Try to improve the position within the company by taking courses. Show the employer strong determination, perseverance and willingness in fulfilling the tasks.

Phew! It seems like a corporate 5 years planning! I want to achieve this within a half a year.

But you know what? My greatest ambition is happiness for me and my family. I only want to have a good time here and I intend to do anything for that. Even to take less interesting job. I have my plan.

**Zuzana 12.02.2007**

#### Have my life ambitions changed by moving abroad?

When I was a child I wanted to become a zoologist or a policeman. Later a drummer. But I actually became a teacher.

But seriously, my life ambitions have indeed changed by moving abroad. Two things have changed without a doubt: 1) where I live and 2) what I do (professionally).

My horizon has really broadened. I couldn't have imagined in the past that I would end up living in a foreign country. I just used to admire the people who had the courage to go abroad. **Attilas 16.03.2007**

had created new form of migration, called, as based upon survey of Centre for Migration Research, 'incomplete migration', which means temporally migration abroad without any rooting. This is mostly about being outside Poland, which is often connected to work in a secondary segment of the labour market (JAŻWINSKA, OKÓLSKI 2001). Chart 4 reflects the situation and establishes the evidence that incomplete migration engages mostly peripheral regions of Poland or those who were linked historically with neighbouring countries of Poland, e.g. Opolskie (JOŃCZY 2006).

Destination countries remain unchanged and Germany still predominates. Seasonal migration from Poland to Germany persists as a major migratory outflow – in first three quarters of 2005 approximately 305,000 contracts were issued for seasonal jobs in Germany, compared to 307,000 in 2004 as a whole, and 292,000 in 2003 (SOPEMI, KEPINSKA 2005).

#### Education Gaps

The process of transformation also covered the education system in Poland. Up until 1989 the education system in communist Poland was autonomous in practice and was very loosely attached to the labour market. The first years of transformation exhibited the effects of centrally planned education. They mostly reflected low correlation between education programs and education levels with needs of the labour market. The occupational education is in fact a prime example of these changes. Lack of matches between occupational education and the labour market generated a high rate of unemployment of graduates from vocational schools. The system of occupational education was mainly blamed for generating this unemployment (KWIATKOWSKI 2000). Too narrow education perspectives made it difficult for graduates to change occupation and specialization. The liquidation of occupational schools put occupational education in limbo and is still subject to inertia. No substitution measures have been implemented in order to narrow future skill gaps. A net effect is that there are nowadays very few vocational schools and their graduates are almost directly recruited by foreign companies. With extending skill shortages and limited access to state programmes helping to alleviate these gaps (e.g. occupational training, courses), employers took vocational education into their own hands and train workers on the site. This is often connected with very quick, unsystematic, ungrounded, narrow training which may lead to exploitation. Skill shortages as revealed

from data (heading 5 of the paper) reflect the existing education gaps in Poland.

The other side of the coin regarding education gaps relate to the emergence of new occupations in areas of: information, telecommunication, the internet and information technology; biotechnology and its applications; environment protection; sea and seabed exploitation; servicing regional integration process; modern financial operations and e-banking, e-trade; health care, health promotion, home assistance for elderly people; information, popular culture and the entertainment industry; education (BORKOWSKA, KARPIŃSKI 2001) and e-learning. Specialists in some of these areas already exist in the Polish labour market, some need to be educated or properly trained in order to fill the gaps, others need to be educated or imported in order to narrow existing skill gaps and even more importantly future skill gaps.

#### Skill Shortages in Poland – What Existent Data Reveal?

Poland is now facing skill shortages and the gaps are deepening. Poland has a shortage of both engineers as well as of qualified workers: welders, ironworkers, upholsterers, bricklayers, drivers, crane operators. 14 % of employers (Central Statistics Office) call for particular workers and in fact have problems in finding proper skills, which at the end may limit their productivity. The problem has been increasing because at the beginning of 2004 8.2 % of employers had called for skills while in 2005, after the enlargement of the EU in 2004, the number increased up to 14 %. The skill gaps are differentiated across branches and regions e.g. every fourth furniture producer in Poland cannot find properly skilled workers while two years ago only every tenth had problems with it. In the forestry industry the situation is critical. Every third employer has problems in finding proper skills while before enlargement only every fifth one. In the construction sector which is about to boom in Poland, every fifth company cannot find workers while before enlargement of the EU only 3.7 % of construction companies suffered from shortages. In the electronics sector in 2005 22.7 % of companies called for workers, while before May 1st 2004 only 2.2 % did so. In the car industry in 2005 20.8 % of companies need workers whilst 7.4 % suffered from shortages before enlargement.

#### How Did I Get to Middlesbrough?

At the beginning I just wanted a change. I was looking for a new experience and wanted to learn English in an English speaking country. I had a good job in a NGO, but ... One day my friend brought to the pub after work a job advertisement from a newspaper. It was for a job in a health and social care in England. We both applied. I didn't pay too much attention to it because at that time, my English was very poor. But, luckily, both of us were called for an interview. **Ivana 22.11.2006**

#### How Did My Life Ambitions Change by Leaving my Country?

I have almost the same ambitions I had before I left the Czech Republic. Only I would say that I use slightly different ways how to realize them. Like many years ago, I would like to have something what I call 'normal family life' (even if I know that living abroad and dating a non-Czech person will not allow me to have a standard family life like my parents imagine it, but I am convinced that 'non-standard' does not mean that it can not be 'normal'). Like many years ago, I would like to have a paid job I like where I can use my brain a bit. Like many years ago, I would like to learn many new things. Like many years ago, I believe that I can always meet people who can become close to me, regardless their culture and nationality. The only difference between Marie from many years ago and today's Marie is that instead of investing blindly a lot of energy in risky businesses I try to economise a bit and use my potential in a bit more selective way.

**Marie 08.02.2007**

#### Conclusions

One needs to realise that Poland is experiencing skill shortages with the remarkable co-existence of outflow of labour and high unemployment. This is shown by a constellation of factors which surely operate in combination. Among factors causing skill shortages one needs to position: changes in the labour structure, which is the most obvious occurrence when economies modernise; mismatches between labour supply and demand; changes in employment activity; segmentation of the labour market; incomplete migration; periodical migration; low interregional mobility of labour; and education gaps.

Bibliography:

- ABRAHAM, K., KATZ, L. 1986. 'Cyclical Unemployment: Sectoral Shift or Aggregate Disturbances'. *Journal of Monetary Economics*. No. 94.
- BRUNELLO, G. 1991. 'Mismatch in Japan. Mismatch and Labour Mobility'. in: SCHIOPPA, F. P. (ed.). *Mismatch and Labour Mobility*. Cambridge: Cambridge University Press.
- BORKOWSKA, S., KAPIŃSKI, A. 2001. *Emergence of New Occupations and Labour Demand Forecasting (synthesis)*. Warsaw: Government Centre for Strategic Studies, Inter-Departmental Group for Labour Demand Forecasting.
- DAVIS, S., HALTIWANGER, J. 1992. 'Gross Job Creation, Gross Job Destruction and Employment Reallocation'. *Quarterly Journal of Economics*. No. 107.
- DORBOS, R. 1999. *Labour Market Adjustments in Hungary and Poland*, Graduate School/Research Institute Systems, Organization and Management.
- GAWRŃSKA-NOWAK, B., KACZOROWSKI, P. 2000. 'Regionalne niedopasowania na rynku prac, a zmiany poziomu zatrudnienia w Polsce'. *Ekonomista*. No. 2.
- GAWRŃSKA-NOWAK, B., KWIATKOWSKI, E., KUBIAK, P. 1998. 'On Some Determinants of Regional Unemployment In Poland In Transition'. *Universita di Padova. Discussion Paper*. No. 2
- JAŻWIŃSKA, E., OKÓLSKI, M. (eds.). 2001. *Ludzie na huśtawce. Migracje między peryferiami Polski i Zachodu*. Warsaw: Wydawnictwo Naukowe Scholar.
- JOŃCZY, R. 2006. 'The Role of Emigration of the Autochthonous Population in Regional Development of the Opole Province. Human Capital as Development Factor of the Region. Macro- and Microeconomic Approach'. *Studia Regionalia*. Vol. 16. Warszawa: Polish Academy of Sciences. Committee for Spatial Economy and Regional Planning.
- KACZMARCZYK, P., ŁUKOWSKI, W. (eds.). 2004. *Polscy pracownicy na rynku Unii Europejskiej*. Wydawnictwo Naukowe Scholar.
- KACZOROWSKI, P., TOKARSKI, T. 1997. 'Restrukturyzacja a odpływ z bezrobocia w Polsce (analiza oparta na rozszerzonej funkcji dostosowań)'. *Wiadomości Statystyczne*. No. 11.
- KĘPIŃSKA, E. 2005. *Recent Trends in International Migration. The 2005 SOPEMI Report for Poland*. Warsaw: Instytut Studiów Społecznych.
- KWIATKOWSKI, E., KUCHARSKI, L., TOKARSKI, T. 2004. 'Regional Economic and Labour Market Performance and Inter-regional Labour Market Balance – the Case of Poland'. *Journal for Labour Market Research*. No. 4.
- KWIATKOWSKI, S. M. 2000. *Kształcenie zawodowe i prozawodowe w reformowanym systemie edukacji a potrzeby rynku pracy i oczekiwania pracodawców*. Rządowe Centrum Studiów Strategicznych, Międzyresortowy Zespół do Prognozowania Popytu na Prace.
- LILLEN, D. M. 1982. 'Sectoral Shift and Cyclical Unemployment'. *Journal of Political Economy*. No. 90.
- LOUNGANI, P., RUSH, M., TAVE, W. 1990. 'Stock Market Dispersion and Unemployment'. *Journal of Monetary Economics*. No. 25.
- SCHIOPPA F. P. (ed.). 1991. *Mismatch and Labour Mobility*. Cambridge:

# The Hollow Land?

## On the Politicisation of Emigration from Poland

KRZYSZTOF CIBOR

'The citizens of the Fourth Republic' was the slogan proudly displayed across electoral billboards of the Law and Justice party (PiS) accompanying the pictures which showed young and prosperous people in undefined but attractive Polish landscapes. But exactly who were going to be the happiest Polish citizens of the 'IV Republic' after the 2005 elections? Migrants, the satirical portal JoeMonster.org proposed. It was sufficient to add 'Germany 2007', 'the United Kingdom 2007', 'Italy 2007', 'Spain 2007' to subvert the original meaning of the billboards. This was just one spectacular example of a specific 'war' between the PiS and its political adversaries over the post-2004 wave of Polish emigration. In a country, where emigration has always been tied to deep political crisis, current emigration has once again been used as a tool of inner political struggles.

While the opening up of UK, Irish and Swedish labour markets for Polish citizens at the time of the entry of Poland into the EU was welcomed by the whole spectrum of the political elite, the positions of politicians on the causes and consequences of out-migration from Poland soon started to diverge. Particularly important for the rising temperature of the public debate was a documentary movie 'A Bar at Victoria Station' showing the bad living conditions of lowly qualified Polish workers in London. The topic was, however, only openly put on a stage at the end of 2005 when crucial changes in Polish political scene took place. After the parliamentary elections the PiS (the right-wing euro-sceptic party of the Kaczyński twin brothers) won and formed a coalition government with the right-wing and nationalist League of Polish Families (LPR) and the populist Selfdefence

party. This coalition government was formed after unsuccessful negotiations with the Civic Platform (PO), a more centrist and euro enthusiastic party. The PO became an opposition party. Since then migration and Polish identity have become some of the key topics around which there has been political polarisation.

"Seven out of Ten Poles Live in Stress... the Rest Lives in London"

The Ministry of Labour likes to put the figure somewhere around 600,000 whilst the liberal leaning *Gazeta Wyborcza* puts it anywhere between 2-3 million (citing polish research agency TNS OBOP), but which ever number is used – it is high enough to seem to justify the growth in interest of the media and politicians on emigration. Not surprisingly such terms as 'the Great Emigration' or 'the Biggest Resettlement in Europe' are used. The historical comparisons are justified by the high numbers. While 'the Great Emigration' refers to the migration wave of political, cultural and academic elites from Poland in the 19th century, 'the Biggest Resettlement' (in Polish 'największa fala emigracyjna') implies that the current situation is seen as more serious than that of the 1980s.

There are indeed political disagreements about the numbers. Generally one can say that opposition parties and their voters exaggerate the figure of migrants and the negative impact of migration on the Polish economy and social relations. Additionally, members of the opposition parties suggest that many of the migrants have actually moved for political reasons. On the other hand members of the ruling parties often try to





"The Citizens of IV Republic". Subverted posters by a user of JoeMonster.org

underestimate emigration and some of their statements, as I show below, could be even perceived as humiliating for people who have moved abroad. The government further stresses that emigration has only a minimal influence on the national economy.

In Poland there has been a steady growth in GDP and consumption rate, together with a dropping unemployment rate. The positive macroeconomic indicators are however, according to the opposition, just a weapon of governmental propaganda. The opposition politicians stress the weight of global prosperity, the good starting point prepared by former governments and – last but not least – high emigration. Migrants' money transferred back to Poland increases consumption and thus GDP growth – or so opposition politicians say. And, they add, that the figure of unemployed is decreasing not because of employment creation but because of the dramatically increasing number of emigrants.

The government firmly denies the scope of emigration. Although aware of the difficulties to calculate the exact figures, the Minister of Labour and Social Policy, Anna Kalata, shows that they are definitely lower than the often quoted two million and claims that there are no more than 600,000 Poles working abroad. Additionally – according to the minister – migrants are mostly people who had worked in Poland before they moved. This would mean that the influence of migration on the unemployment rate is negligible. However, the government's statement on the topic is not fixed. President of the Republic Lech Kaczyński, during a briefing in London said: "We know that there are those who have succeeded in the UK, who have jobs and who are doing very well thank you very much, especially considering the differences between the wages in the UK and in Poland. But these people are registered as unemployed in Poland, so they are living a fiction and they are raising the unemployment figures in Poland while they are doing very nicely here in the UK". The requirements of Labour Offices mean that the registered unemployed have to be present once a month at the Office, furthermore unemployment benefit is rather low, so the assertion of Lech Kaczyński is misleading. For sure he has no official data to prove it. The Ministry of Labour plans to investigate the issue this year. Continuing along the same lines as the playing down of migration, there is also as a partial denial of labour shortages caused by emigration. The Minister of Labour argues that it is simply a media construction "that there are no longer any physi-

## Poles Apart on the Streets

I couldn't believe my eyes reading this headline in a local newspaper:

"There is talk is of civil war as tensions rise over the presence of thousands of Eastern European workers in the county's coastal towns."

The main point of the article is that British towns are flooded with Eastern European migrants who are taking jobs off local people, increasing pressure in the labour market, medical and educational systems and negatively shaping British culture. Some of it is perhaps possible, but...

The tension grows so much that a few local pubs put an entry restriction for Eastern Europeans in place. I actually asked one of my work colleagues whether she knows something about it and she confirmed it was true. She has been a regular customer in one of these pubs in 'Lithuhampton' and she experienced several conflicts between Poles and locals, so she totally agrees with the policy of the place. She thinks it might be little bit discriminating but it is definitely effective solution. **Radek 24.02.2007**

cians, programmers or construction workers in Poland. We have 45,000 unemployed programmers and 100,000 unemployed construction workers registered in Labour Offices!"

### Fleeing Iraq, Afghanistan and Poland

On the whole, for people in power in Poland there seems to be no interest in discussing concrete statistical data because this would be perceived as a kind of affirmation of opposition's reproaches, consequently more space is given to specific disinformation and ideological questions related to migration. On the other hand, politicians from the opposition and media critical of a government serving itself other statistical data, continue to show the 'catastrophic' situation regarding Polish migration. The opposition's reproaches and government's answers to them are based often on residual and selective data but particularly, on public fears. These fears are stimulated by a medially created picture of a 'hollow land' – Poland depopulated by migration. Indeed it is possible to read that more Polish children are born in UK than in Poland (and that they speak better English than Polish) alongside reports that some parishes in Poland have seen a drop in the number of Sunday services whilst more and more worshippers stay abroad.

The opposition creates a social context in which every single migrant is a measure of public resistance against the government. The leader of PO said that majority of current migrants are going to come back after PIS give up power. In Try-

buna – a left-wing daily – newspaper we may read the dramatic statement: “Today people don’t ‘move’ from Poland, but run away from here. Like from Iraq, Afghanistan or Somalia.” Citizens who have negative attitudes to the PIS-Selfdefence-LPR coalition take part in this kind of discourse in a big way. Thousands of articles comparing Poland during the communist period and contemporary Poland may be observed on internet discussion lists.

The Cabinet and – particularly – its supporters deny the existence of a political context regarding today’s emigration, on the other hand however, they enter this kind of discourse by accusing migrants of holding a ‘non-patriotic attitude’. Even the Catholic Church joins these warnings. In a special Polish bishops’ letter on emigration it was written: “We want to encourage every compatriot to remain a Christian, a Catholic and a Pole everywhere, even in emigration”.

#### Feckless Migrants and Helpless Jokes

Naturally this kind of public debate must drift into the domain of political satire. A well-known example is the joke: “What is the difference be-

tween communist Poland and ‘the IV Republic’? During communism society lived in Poland whilst the [independent] government resided in London, and now – the government resides in Poland whilst society moves abroad.”

In the billboards transformed by the satirical portal JoeMonster.org mentioned at the beginning of this article there was one more notable aspect. The spectators could only see the citizens’ backs. Whilst the migrants were looking ahead a brilliant future, the way they were displayed could also be interpreted as a kind of exclusion from society, remoteness from the everyday life of Poland. It was a gesture of alienation. Such a break of communication was also highlighted in a very famous declaration by president Kaczyński. During his briefing in London, he said: “As regards unemployed Poles and homeless Poles in London and the UK, I believe that there are a number of people, not only from Poland but from other countries from the new European Union who are feckless naturally, but they still seek a better life and so they go abroad, and currently the UK has become a destination of choice for such individuals”. Then the president’s office later made it clear that Kaczyński said ‘helpless’ not ‘feckless’ and the responsibility for this misunderstanding lies with the interpreter. Nevertheless many high qualified, well educated Poles living in UK and other countries of the EU regard this misunderstanding as a specific symbol of the current ruling coalition’s attitude towards migrants.

The free flow of people on the more and more open European labour market is thus a starting point for the ideologically oriented and inconclusive public debate in Poland. The competitive political players put today’s emigration in a context of historical traumas and preserve a picture of emigration as something dangerous and abnormal. Labour emigration – more and more often temporary, seasonal or just part of a career in a foreign corporation – is described on the one hand as an escape towards political and social normality – on the other hand as a national betrayal. With such a politicisation of the discourse, it is impossible to imagine a public debate which would provide a clearer understanding of the diverse aspects of this new wave of migration in the sea of the global labour market.

#### Poor Immigrant Poor

Peter is Polish in his early sixties and comes from the south-east of the country. He used to be a miner working in the Ostrava region (the Czech Republic) for twenty years. He said the work was really hard and dangerous, sometimes life threatening, but he was happy with the conditions and his workmates. Then in 90’s the mines began to shut down so he turned into a professional traveller. He took his wife with him and they rode all over Europe in a small van - stopping for a short time when they needed money. They worked mainly in the agriculture sector as there was no request for language knowledge or any particular skill.

When Poland entered European Union in 2004 there were no more barriers to work in the UK Peter and his wife contacted certain work agency promoted on the internet and promising help with all arrangements for life in Britain. They paid £500 each in advance and when they were approached by an agent in the Victoria Coach Station in London, they paid the same amount of money again. Peter said he was a bit suspicious about this person and the agency but there was no any other possibility other than to go along with him. Peter and his wife didn’t speak any English at all and it was first time they were in England.

The agent drove them about hundred miles northward from London and provided accommodation for them. He said that an employer would pick them up in the morning and help with the rest. But instead it was a hotel manager who was knocking on the door the following day wanting them to leave or pay for another night. Only then did they realize that they’d been scammed. The saddest thing about it was that they were cheated by a countryman from Poland. **Radek 22.01.2007**

# Christmas Time



So this is  
Christmas

This is my third Xmas in Ireland and I dare to say probably the last one. We have even managed to get a big frozen carp from the local Latvian shop this year. I have made the ginger bread and the 'cat's eyes' cake and I am attempting to make the Xmas cake or 'vianocka' just now in between the writing.

For the dinner we will have all the typical food: wafers with honey (brought from home), sauerkraut soup, carp and the potato salad with mayo. The Xmas tree is all decorated and lights are on, little presents packed underneath, the Xmas tablecloth covers the table. It is quiet. I have caught the online stream of Slovak radio and am trying to make some sort of an atmosphere.

But you can never repeat the vibes of your home with family and friends even though you have a small Slovak community here. I read through the TV program listing the American movies yesterday and terribly missed all our lovely fairy-tales that are on TV every year but you never grow tired of them. Luckily we have a DVD copy of the Russian classic 'Mrazik' and the great Czech winter movie 'S tebou mne bavi svet' (a story of 3 husbands who were tricked by their wives to take all their kids to their annual gentlemen ride at a mountain cottage ;o))

Tomorrow the Irish will celebrate their Xmas day. There has been a dispute going on when was the Christ born? We say it was the 24th they say it was the 25th. We would not know exactly but have made a compromise it was around midnight so there was a choice to be made. In the morning we will watch the annual charity swim in the freezing Irish sea from our window (we would not usually swim there even in the summer!!). In the afternoon we will be invited by our landlady to have a drink with her and her family. That has become sort of a tradition and we really appreciate that.

Happy Christmas to all of you!

**Jana 24.12.2006**

## Lost Christmas

Every year I try to go home, to the Czech Republic, for Christmas. As far as I remember only did not manage twice and I celebrated Christmas abroad. And I have to say that it was a rather strange experience. Surrounded by people who perceive Christmas differently than me and who have different Christmas rituals or no Christmas ritual at all I did not feel any Christmas atmosphere. I followed most of the Christmas rituals our family has. I did what we normally do at my parents place during the 24th or the 25th of December. But despite of the traditional Czech Christmas dinner and sweets, the Christmas tree, Czech Christmas carols, and that I was surrounded by nice, loving people who were very close to me, Christmas was not Christmas. It was not real. It was like I was watching everything on TV or from a distance. It was like someone kept the visual image of Christmas but erased from me the meaning of it. I was very detached from it in spite of the fact that I was in the middle of everything.

Christmas 'wrapping and procedures' were there but the shivery feeling I always felt at home, even if my parents argued, even if my brother was really annoying and cranky, even if the atmosphere at home was not very calm and relaxed, did not arrive. I was trying to figure out what do I miss exactly? Why the Christmas' magic does not work abroad for me. And I think I found it. While celebrating Christmas abroad I was not connected to that collective conscious – the feeling of being attached to a very particular and culturally deeply rooted way of 'doing things' shared by many people.

I was very surprised that I found myself imitating all the habits and rituals which at home I find many times very stupid, pretentious, useless and very often forced. And I was even more surprised how deeply I can feel the power of sharing certain rituals with other people. I simply realized that Christmas actually does not exist for me without possibility to participate in that annual collective recreation of the myth of Christmas and to emotionally share it with people around. **Marie 05.01. 2007**

## My Czech Christmas

To celebrate Czech Christmas in England is a challenge.

The so called atmosphere here is different and not very Christmas like. English people are so dedicated to shopping so they keep forgetting the main purpose of Christmas, but that's probably happening not only here. People are willing to run into debts because of it, some of my English colleagues asked for thousands of pound loans from banks just to buy silly presents. Other ones were cleverer and saved up the money throughout the year. There are some special companies providing high interest and attracting clients who get money (in the form of shopping vouchers) back just before that great event. Unluckily many people (my workmates included) lost savings this year as the company went bankrupt. That doesn't contribute to the Christmas ease as well as the obligation to send cards and buy chocolate for everyone.

I am hardly ever homesick but when I am it has to be for Christmas. To keep the traditional Christmas feeling I was advised to go to London for a weekend to see the famous markets and the biggest Christmas tree in Britain. I enjoyed that trip but more for the tourist sightseeing than for the atmosphere. All I could see was Santa Claus everywhere, crowd of panicking people hunting the greatest shopping deals. But finally, I found my happiness when I was standing in the Covent Garden in front of beautiful decorated Scottish pine warming myself by little plastic cup of mullet wine for 3 pounds. Musicians there were good as well – fiddlers doing the survey of visitor's wallets. I have bought some tiny presents for double prize of their normal market value and had the feeling that I am standing in Old Town Square in Prague.

If I wasn't in London I wouldn't even realize that Christmas has passed through. I have worked all the time, though only few hours a day. There have been only a few Christmas decorations in the streets of Worthing. Television offered the same soap

programmes as normal. Also, England has got Christmas Day delayed by one day, from the Czech point of view.

After all, my girlfriend and I made Christmas our own way. We asked for a day off at work and met up at my friend's house. I prepared the very special potato salad tossed up in a kitchen sink as I couldn't find such a big bowl. We could only dream about delicious carp fish so we fried breaded cod fillets in a saucepan. I heard some Czechs would buy the carp somewhere in London for about £25 but I didn't have such important contacts. Some desperate countrymen were rumoured to try to solve that problem by fishing in the river, but...

On Christmas day (24.12.), I put decorations and lights on fikus. We were listening to carols and watching some Czech fairy tales on DVD. Also, we decided to ignore the shopping fuss and didn't get any presents for each other – except for flight tickets to Morocco for spring. Later in the afternoon we went to a Czech-African party, exactly 6 Czechs and our friend from Zimbabwe turned up. After a nice dinner (with my potato salad being praised) we opened the bottles of Pilsner Urquell beer, made mulled wine and were playing funny board games and having a good time.

This was my third Christmas abroad. First time it was in New Zealand 3 years ago when we had dinner on the beach in the subtropical heat with lots of swimming and sunbathing. I remember myself making big dish of potato salad and inviting all Czech friends we knew there. Last year I was in England already and I roasted big turkey trying to make it English for my girlfriend and her parents who had arrived. But actually, it wasn't it even though we went for stunning Christmas Eve midnight service in Arundel Cathedral. This year we turned back to Czech traditions and celebrated in a quiet spirit and own style and enjoyed it though we hope we will spend next Christmas in the Czech Republic. **Radek 28.12.2006**

## Polish Frustrations

During Christmas break Klementyna and I had an opportunity to spend a lot of time with our Polish friends, who stayed in Ireland. The first of all because of crazy tickets prices. Everyone knows that if you will not book them early enough, later it could be unbelievably expensive. So, during our Christmas holiday we and our mates had never ending discussions, which dealt often with our country. We talked about current economic situation about the reasons for it and about politics, international affairs and the Polish mentality so controversial for all of us. There is an interesting phenomenon, how different 'our' attitude is towards Poland.

Basically, there exist two radical groups of our compatriots: people who miss the homeland, who are almost sick from longing for everything connected with Poland and those who are terribly disappointed by reality and living in country by the Wisla river. These kinds of interlocutors are very touchy. They get furious and verbally aggressive when anyone mentions something positive about Poland.

**Klementyna&Wojtek 19.01.2007**



## EDITORS

Marie Jelínková, Ian Cook

## PUBLISHER

Multicultural Centre Prague

Vodičkova 36 (Palác Lucerna)

116 02 Prague 1, Czech Republic

Tel/fax: +420 296 325 345

[www.mkc.cz](http://www.mkc.cz)

[www.migrationonline.cz](http://www.migrationonline.cz)

## PARTNERS

Nadácia Milana Šimečku, Bratislava, Slovakia

Anthropolis, Budapest, Hungary

Pasaż Antropologiczny, Warszawa, Poland

## DESIGN&LAYOUT

studio sport

[studiosport@opcit.pl](mailto:studiosport@opcit.pl)

## PHOTOS

Konrad Żelazowski

## PRINT

Drukarnia Jantar

[jantar@jantar.waw.pl](mailto:jantar@jantar.waw.pl)

## ISBN

978-80-239-9307-3

## COPYRIGHT

a

We would like to thank Marek Čaněk for his invaluable help and advice, the editorial board of [migrationonline.cz](http://migrationonline.cz) for their comments and suggestions and we would also like to give special thanks to Eliška Motlová for starting the project in such a positive and passionate manner.