

The London School of Economics and Political Science

New Eurostars?

**The labour market incorporation
of East European professionals in London**

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Declaration

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Abstract

Professional and graduate mobility represents an increasing component of international migration streams due to the globalisation of markets, the expansion of the knowledge economy, and the global competition for talent. While in the last twenty years considerable attention was given to East–West mobility flows within Europe, little research has been done on mobile professionals’ and graduates’ occupational attainment abroad.

In the thesis I analyse the social organisation of professional mobility, focusing on the determinants of mobility, the destination choice, and the job-seeking practices of East European professionals and graduates in London. Several bodies of literature deliver the conceptual basis for this research. Applying an economic sociological framework, I rely on three major currents among the theoretical approaches to migration and mobility: human capital, global cities and labour market segmentation theories. I use quantitative and qualitative techniques to analyse primary and secondary data, including an online survey and semi-structured interviews with Hungarian and Romanian professionals and graduates working in London, and London-based employers of East European graduates, as well as official statistics.

While aiming to question the atomised economic individualism associated with well-educated migrants and to draw the profile of the potentially new ‘Eurostars’, the thesis reaches four main conclusions. First, I emphasise the need to investigate the social process leading to labour market incorporation of foreign professionals from a transnational perspective. I argue that the social structures and institutions at both destination and origin influence immigrants’ labour market positions at destination. Second, I have found that mobility decisions are shaped by individual perceptions of relative deprivation when comparing their own social and occupational positions to the ones of members of groups they consider referential. Third, social ties act as centrifugal forces in sending professionals and graduates to either the top or the bottom of the occupational hierarchies at destination. Typically, however, professional and graduate mobility is a market-dependent phenomenon, influenced less by the existence of social ties, more by the supply and demand on the global labour, education and migration policy markets. These social institutions, together with social networks and migrants’ self-selection contribute to the creation of labour market segments at destination. Finally, the thesis challenges the idea that the international transfer of human capital is a seamless process. Instead, I argue that it is the social aspects of human capital creation, transfer and appreciation which shape to a great extent what is socially recognised as being ‘skilled’ or ‘highly qualified’. Being ‘highly skilled’ is an outcome of negotiations between employers and migrants on the socially constituted labour markets around the value and the value-attached significance of employable human capital.

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Introduction

On a global scale the nature of migration has changed. Traditional immigration and settlement is gradually outbalanced by transnational, short-term and circular mobility; the well-educated can take most advantage of these changes by moving within the globally integrated and expanding labour markets of multinational companies (see Castles and Miller 2003; Millar and Salt 2007). International migration is quite selective towards highly skilled migrants, whose mobility is currently much more extensive than it was 20–30 years ago (Dumont and Lemaître 2004); this trend was confirmed in the 1990s in the face of increasingly selective immigration policies. Measuring the international mobility of the university educated, Docquier and Marfouk (2004) found that while in 1990 the university educated represented 33% of the OECD immigration stock (and 9.1% of the world labour force), this percentage increased by 2000 to 37%. They have also found that the emigration rate of the highly educated (on average 5.5% worldwide) is 3.2 times higher than the total emigration rate (on average 1.7% worldwide) in all countries.

Highly educated people are not only perceived to be more mobile, more cosmopolitan and more easily integrated than their less educated peers but also than they used to be. The understanding of their mobility is crucial because of its assumed impact on the global economy, politics and society. Attracting and retaining professionals is seen as a new tool for improving economic competitiveness and growth as the young, highly educated, professional migrants add value to the economy through their supposedly high productivity rates; hence, countries are in competition for human resource skills perceived as representing national economic resources (see Salt 2005a). Traditionally, attracting young and well-educated foreigners has been viewed as a tool for counterbalancing domestic skill shortages and improving the demographic balance. Understanding professional mobility is particularly important for large settlements, especially for global cities such as London since their formation is both a cause and a consequence of the international mobility of people with high human capital. Furthermore, sociologically, the study of professional and graduate mobility is

important as it addresses questions such as who can be considered ‘highly skilled’ and why, or which social processes lead these people to search for employment abroad.

Yet, when the mobility of university educated is studied as embedded in the wider patterns and processes of migration, the controversies, debates and fears around increased global mobility behaviour become visible. The reasons are mostly labour market related: in migrant receiving societies immigrants are seen to take natives’ jobs, to reduce wages, or to claim social benefits to which, it is believed, they do not contribute. Since many other outcomes of immigrants’ employment are often ignored, both media and public discourses rarely acknowledge that immigrants are frequently employed in jobs that natives are not willing or are not skilled enough to take up, that they contribute to their host country’s economic development, or that they often create new employment and business opportunities that generally favour the economy.

The successive European Union enlargements, by increasing the geographical area of free mobility, contributed to the increased desire – and practice – of Europeans to live, work, study or retire in another EU member state, temporarily or permanently. Especially dramatic was the increase in the intra-EU migration of highly qualified individuals during the 1990s (Recchi, Tambini et al. 2003); citing Rodríguez-Posas, they argue that ‘in contrast to the low-skilled worker from the south of Europe, Ireland and Finland of the 1960s and early 1990s, the European migrant of the 1990s and early twenty-first century is a highly qualified young professional’. Since the early 1990s, Britain represents a good example of the recent trend of increased mobility of the highly qualified (Salt 1992b); the country is a net recipient of European and international migration flows: the economic migration rose between 1993 and 1998 by more than half; between 1997 and 2003 the number of work permit holders and their dependants admitted to Britain rose from 63,000 to 119,000 (*The Economist* 09/04/2005). The rise in immigration to Britain is believed to reflect at least four forces: the strength of the British labour market, globalisation, increasing economic integration and labour mobility within the EU, and rising political instability around the world. Since these forces are likely to persist, higher immigration to Britain is to be expected.¹

¹ The National Statistical Office estimated in 2002 that Britain’s population will rise over the next 25 years by about 5 million people, with immigrants accounting for two-thirds of this growth. Net migration to Britain over the next 25 years was projected in 2002 to be 135,000 a year (*BBC* 20/06/2002), with policy preference for nurses, teachers, doctors and other skilled workers. The same projections

While many employers, policy makers and Euro-bureaucrats encourage the cross-border employment of EU citizens through simplification of the bureaucratic aspects of mobility or through programs such as the “2006 European Year of Workers’ Mobility”², ever since the fall of the Berlin Wall in 1989 fears about East–West migration have been constant in ‘fortress’ Europe. The worry reached its apogee in the years around the most recent EU enlargements, notably in 2004 and 2007. Many articles have been written about the hordes from Eastern Europe targeting the open labour markets of Britain, Ireland and Sweden, the three countries³ that from May 2004 allowed the citizens of new accession states to have unrestricted access to their labour markets (e.g. ‘What is the latest immigration row about?’ *Daily Mail* 31/03/2004; ‘The truth at last on immigration’ *Daily Mail* 18/06/2004; ‘Queue here for Britain’ *Daily Mail* 01/09/2006; ‘The border wide open to migrant hordes’ *Express* 02/09/2006; ‘Britain needs a rest from immigration’ *Daily Mail* 06/09/2006). Although not so bulky, some articles have also been written denying or at least questioning the fearful amount of East–West migration (e.g. in the special report ‘The Future of Europe’ in *The Economist* 01/05/2004 or another special report ‘Immigrant Nation’ in the *Independent* 23/08/2006).

East Europeans’ presence in Britain is equally controversial. On the one hand, following the 2004 EU enlargement, Britain experienced a sudden and visible increase in the number of Eastern Europeans, especially in London and South East England. Although there are conflicting media messages on the numbers and kinds of East Europeans arriving to the country, the ‘masses’ were not as bulky as the public believed them to be. Yet their numbers were well above the official projections, i.e. 5-13,000 annually until 2010 (Dustmann, Casanova et al. 2003). After the 2004 enlargement of the EU, within five months 90,050 Eastern Europeans had registered to work in Britain; within ten months 176,000 workers had registered, and within two years around 600,000

acknowledge the population growth being strongest in London and the South-Eastern region of England. Also, around half of the new jobs created in Britain today are filled by migrants (*The Economist* 05/01/2008), often because they have skills that locals lack (from plumbing to banking) or because natives have contempt for the work (from picking fruit to caring for the elderly).

² Favell (2006a) even suspects that ‘West Europeans might be quite happy to reduce their reliance on non-white, non-European immigrants by the development of a more internal and regional European labour market [... in which] East Europeans are regional “free movers” not immigrants, engaged in temporary circular, transnational mobility rather than in permanent immigration.’

³ The other EU countries temporarily closed their labour markets (on average for two years, though some until 2011) after the EU enlargement to all new member states, but Cyprus and Malta, Finland, Spain, Portugal and Greece opened up their labour markets in May 2006; Germany, Italy, France and Austria extended the restrictions.

workers had registered (Home Office 2005a, 2007). This fed the widespread 'Polish plumber' image of East Europeans in Britain, who are seen as doing overwhelmingly low-skilled jobs and as being uniformly poor and uneducated simply because their sending countries are believed to be poor and under-developed.

On the other hand, there is conflicting evidence about the socio-economic impact of East European immigration to Britain. A study on the employment and wage effects of this immigration did not find that East European immigrants take jobs from the existing population, or that immigrants depress the wages of existing workers. In fact, higher immigration appeared to be associated with higher wage growth in the resident population (see Dustmann, Fabbri et al. 2003). Similarly, the economic impact of post-2004 migration was found in 2005 to be broadly positive, if modest (Gilpin, Henty et al. 2006). It increased output by 1%, and total employment, with minimal impact on native workers (*The Economist* 03/02/2007). Nevertheless, in 2005 higher levels of East European migration did appear to be associated with small increases in the claimant unemployment count (Portes and French 2005). Furthermore, there is also evidence that many of these migrant workers, some of them highly educated, are underemployed in low-skilled sectors. An IPPR (2006) report warns that this 'brain waste' may have costly implications for Britain, which is missing out on making use of the additional skills of these migrants; also, future migrants may not be prepared to fill low-skilled positions.

Overall, however, the debates on the depth and impact of East–West migration contain a confusing paradox: while Western countries fear the mass influx of the 'low skilled', stereotypically cheap and hard-working East Europeans, East European countries fear the loss of their 'highly skilled' nationals and the economically detrimental effects of brain drain (e.g. in articles such as 'Is brain drain reversible?' in *Magyar Nemzet* 22/01/2004). Prior to the enlargement, a study conducted in 2002 for the European Commission concluded that the 'free movement of workers is going to cause a brain drain and a youth drain in the accession countries since a typical migrant from Eastern Europe is a young, single graduate or student, often [a] woman, and their out-migration might have detrimental effects on the economic developments of their sending countries' (BBC 27/02/2004). The study indicated that the new accession countries risk losing up to 5% of their young and graduate population, and up to 10% of their students.

Aims of the thesis

The thesis investigates the social process behind the recent mobility of East Europeans to Britain. I take a particular focus on an often-ignored form of East–West movement: the mobility of the university educated, through the case study of Hungarian and Romanian professionals' and graduates' mobility to London.

In the thesis I seek to understand various aspects of their current mobility, ultimately leading to their labour market incorporation in London. While immigrants are frequently viewed as the clearest example of *homo economicus* (see McGovern 2007), the 'highly skilled' are often taken to be the defining example of the atomised economic individualism associated with migrants generally. This thesis sets out to challenge this idea. Why do East European professionals and graduates seek employment abroad? Is it simply to increase their income? From the various possible destinations around the world why exactly do they choose London? Is the transfer of human capital from Eastern to Western Europe a seamless market process? How are their credentials and work experiences recognised? What kinds of jobs do they obtain? How and why do they get those jobs? More specifically, what roles do institutions and social practices play in their search for employment?

Working from the perspective of economic sociology, my overall aim is to challenge the idea that 'highly skilled' migration is simply a straightforward process of individual human capital mobility. Instead, I wish to argue that the processes of professional and graduate mobility and occupational attainment are strongly influenced both at origin and destination by structural factors. Furthermore, these structural factors lead to different labour market outcomes in a way that might be expected from more sociologically oriented conceptions of labour market segmentation (Jones 1996; Waldinger 2001; Waldinger and Lichter 2003; McGovern 2007; McGovern, Hill et al. 2007).

The current state of knowledge

One of the justifications for this research is that there is relatively little known about East–West professional mobility, either in the media or indeed in academia. One of the few exceptions comes from John Salt. He argued at the beginning of the 1990s that ‘it is difficult to see Eastern Europe as a major source of high level expertise [...because] generally the expertise possessed in the East is unlikely to be high enough, at least initially, for highly skilled vacancies in the West’ (Salt 1992a:1086). Consequently, he argues, many of those moving to the West will be employed in lower status jobs (compared with the status that they had at home) because of their grounding in outdated technologies and inefficient bureaucracies. In general though little is known about the variety of ‘highly skilled’ migrants as well as their determinants and job-seeking practices abroad; similarly little is known about the varieties of Eastern European migrants, their origins, labour market incorporation strategies, modes of adaptation, or return patterns. Even less is known about the ‘highly skilled’ from Eastern Europe.

The main reasons for this underdeveloped state of knowledge are the controversies around how to measure the skill level of migrants (and how skilled some of those classified as ‘skilled’ really are), as well as the statistical and social invisibility of these ‘skilled’ flows.

Problematic terminology While ‘highly skilled’ migrants represent an increasingly large component of global migration streams (Iredale 2001), there persists a most unproductive academic debate around the definition of who the ‘highly skilled’ are. Chiswick et al. (2005:488) provide a good operational definition of skills in a migratory context, as ‘broadly to include labour market information, destination language proficiency, occupational licences, certification or credentials, as well as more narrowly [...] task-specific skills’. However, researchers and policy-makers deliver new definitions applicable to their own research when they refer to the ‘highly skilled’, such as: ‘skilled immigrants are all those immigrants who [...] are carriers of high standards of knowledge and skills, even if they cannot be immediately spendable, having attained in their native country qualifications, which are equivalent to at least a first degree of tertiary education’ (Cancedda 2005:8).

Generally, earlier research on ‘highly skilled’ migration focused almost exclusively on expatriate professionals. Currently the level of education is central to any classification of ‘highly skilled’ (and my thesis follows this practice). Yet, as I will show in Chapter 1, sociologists like to point out that skills are not the same as education. Therefore in my thesis instead of using the loaded concept of ‘highly skilled’, I focus on all those who have the equivalent of a third-level education, that is, on the highly qualified. This has a strong advantage, especially in terms of empirical research: measuring the possession of a university degree is straightforward.

Statistical and social invisibility Within the global flow of people the movement of professionals and graduates is often ignored. In absolute terms, their numbers are insignificant: they represent a minor fraction of the 3% of the world’s population considered to be migrants. Furthermore, mobile professionals and graduates are not only few in number, but they are also socially unproblematic. Professionals and graduates do not experience, at least not at first sight, inequality or exclusion, do not deviate visibly from the mainstream, and have no evident problems with social integration. Rather, they represent an invisible and fluid population that merges economically, socially and often also politically and culturally into the host society. Using Becker’s (1998:92) term, they qualify as being ‘social nobodies’ since they are ‘not doing any particular harm [...and] they [do] not upset anyone powerful’. Since much of migration research is fed by perceiving migration as a social problem, the migration of professionals or graduates does not represent at first sight an attractive area to investigate. Yet, it is precisely because of their invisibility, socially and ethnically, that they are interesting. If I can demonstrate that their situation is dependent on a range of social factors and that they also face barriers to mobility, then I believe this can contribute to more realistic theory and government policy.

The originality and contribution of the thesis

Beyond the sociological contributions generated by seeking to understand the aforementioned and under-researched questions, choosing Hungary and Romania as the two countries of origin and London as the destination city adds further interesting

angles to my research. First, an influential strand of research on transition economies argued that in the early years of post-communist transition, cultural capital was the only form of capital that guaranteed social advancement in Central and Eastern Europe (Eyal, Szelenyi et al. 1998). Yet it was during this same period that the emigration of the university educated was at its highest level. I seek to understand the reasons behind this apparent paradox. Second, Britain is not a traditional destination country for East European migration. Does this mean that the well-educated migrants of the 1990s are 'pioneers' opening up new destinations for other co-citizens? Or is it that Britain and London attract certain kinds of people from around the world regardless of their national origin? Third, comparing Hungarian and Romanian migration flows to the same destination enables us to look at the effects of national origin on migrant behaviour as well as on their labour market incorporation at destination. After 1990, Hungary had the lowest and Romania the highest migration potential in Eastern Europe (Wallace and Stola 2001). What effect does the migration culture of these countries of origin have on the decisions of well-educated people?

For all these reasons I see my contribution to the wider literature on migration and mobility, human capital and labour market theory as follows:

- Theoretically, I aim to contribute to the economic sociological literature on migration by looking at professional and graduate migrants as social actors whose decisions are not of a rational *homo economicus* but influenced by the various social contexts within which they move. In the first instance, this is evident in the decision to migrate from their home country and the formation of a so called East European 'brain drain'.
- Furthermore, by examining the occupational attainment of East European professionals and graduates in London I seek to extend the sociologically oriented labour market segmentation perspective that draws on both the supply- and demand-sides of the labour market. In doing so, I aim to compensate for one of the traditional limitations of the labour market segmentation approach which is that it considers only the demand side.
- Conceptually, I aim to emphasise that skills in migratory contexts need to be discussed in relational terms; that is, skills depend on the social contexts in

which they need to be applied. Therefore, one needs to differentiate between being ‘highly skilled’ (which is context-dependent) and ‘highly qualified’ (which is diploma-dependent). At the centre of this are the processes of labour market signalling, screening and sorting which enables East European human capital to be translated into West European employment. Here I stress the importance of looking at labour markets as socially constituted entities the entry to which is negotiated between employers and would-be employees.

- Empirically, the study of East European professional and graduate mobility to Britain represents a novelty. While there are some emerging studies of East European ‘highly skilled’ migration – from the perspective of academic mobility only (see Ackers 2005) or of occupational downward mobility within East European migrants in general (Anderson, Ruhs et al. 2006) –, I know of no detailed study of professionals and graduates, especially one that examines a range of professions from two different countries.
- Methodologically, I have combined quantitative and qualitative approaches to research the often ignored ‘human face’ of East–West human capital mobility (see Favell, Feldblum et al. 2006). This includes an innovative online survey that proved to be an excellent way of getting in touch with research subjects in a global city. It also delivered an informative dataset on their socio-economic and demographic profile which complements the in-depth data derived from the semi-structured interviews.

The chapters of the thesis are organised as follows. Chapter 1 sets out the theoretical and conceptual framework of my research. Chapter 2 sets the background by estimating the numbers of people, especially those who are university educated, participating in East–West migration flows, especially the ones originating from Hungary and Romania. Chapter 3 describes London, the location chosen for the case study, as well as the study design, the applied research methods and main characteristics of my research subjects. Chapters 4 to 7 represent the substantive or empirical chapters (on determinants of mobility, destination choices, practices and constraints experienced during the process labour market incorporation). Finally, Chapter 8 summarises the key findings and draws conclusions for the overall thesis.

1. Theoretical approaches to highly skilled migration

Although the primary focus of this research is the way East European professionals and graduates are incorporated into the British labour market, I argue that we need to first understand the origins of these individuals in order to explain their subsequent employment experience. To do this we need to examine their educational and socio-economic backgrounds, their reasons for emigrating, and why they came to Britain rather than elsewhere. What this means is that my review of the literature is in three parts. After clarifying notions central to my thesis and addressing the conceptual difficulties around defining skills and human capital I have encountered while reviewing the literature, in the first part of this chapter I review the general literature on determinants of migration, especially as it relates to professionals and graduates. In the second part I discuss the most influential approaches regarding migrants', especially professionals' and graduates' destination choices. Finally, in the third part I focus on the social process of labour market incorporation of 'highly skilled' migrants. While reviewing the literature, I draw on three major currents among the theoretical frameworks on migration and mobility, which in my view contribute most towards the sociological understanding of this topic: human capital theory from neoclassical economics; global cities theory from urban sociology; and labour market segmentation theories from institutional economics.

Though the questions around migrants' determinants, destination choices and employment experiences are related, these strands of the literature are seldom overlapping. They complement each other by shedding light on different stages of the social process of migration and mobility. The human capital theory and its later critiques focus on the first part of the social process: why do well-educated people, the 'highly skilled' move (see Portes 1976; Todaro 1976; Piore 1979). While acknowledging the value of the theory of supply and demand for migrant labour as well as of the concept of human capital, I draw attention on the limitations of the neoclassical approach when discussing the mechanisms of migrant destination choices, of cross-border human capital transfer, as well as the power of social networks and social institutions. Consequently, much of this thesis is devoted to identifying the limits of the

individualistic human capital approach; I think this is especially important given its dominant influence on government policy.

The global city theory addresses some of the limitation of the human capital theory and provides insight for the second stage of the social process: the destination choice (e.g. Sassen 2001b; Scott, Agnew et al. 2001; Beaverstock 2005). It highlights how large settlements, global cities attract certain kinds of individuals over another. Yet, both human capital and global city theories pay little attention to the third ‘outcome’ stage, that is, what do people do upon their arrival to the new destination. A third strand of literature proves to be helpful here, mostly those theories which focus on immigrants’ labour market incorporation and occupational attainment in receiving societies. Most of this third strand is dominated but not exclusively covered by the labour market segmentation theory which explains individuals’ labour market outcomes by examining the structural features of employment. In the third part of my literature review I look thus at the social process of immigrants’ labour market incorporation and highlight the difficulties of transferring education, credentials and work experience (human capital) from one country to another. I also turn towards the literature on the sociology of work and labour markets, especially that which offers a more sociologically oriented conceptions of labour market segmentation (Jones 1996; Waldinger 2001; Waldinger and Lichter 2003; McGovern 2007).

By addressing various aspects and these three stages of the social process leading to immigrant employment in a new labour market, my aim with this thesis is to extend the labour market segmentation theory to the case of migrants with high human capital.¹ This is becoming more and more important because of the increasingly interconnected global labour markets, the internationalisation of human capital, and the global competition for talent.

While strongly relying on human capital and labour market segmentation theories, my overall approach is barely informed by economics. Rather, it is the economic sociology

¹ Certainly, the separation of the social process of migration and mobility into the above mentioned three stages (i.e. motivations, destination choices, and labour market incorporation) is quite artificial, serving mostly the benefit of a rigorous academic analysis of the dominant aspects of the social process than reflecting the precise construction of the social world. As I highlight in the thesis, migration is a complex social phenomenon and mobile individuals’ motivations to look for employment abroad are often interlinked with where they want to work and what do they want *and* could do there.

of immigration that provides the broader framework of the thesis. There are three reasons for this. First, economic sociology is the application of the sociological tradition to economic phenomena in an attempt to explain these through focusing on the role that social relations and social institutions play in the economy (see Swedberg 2003). Doing this, the economic sociological perspective assumes that migrants as social actors are deeply affected by the economic and social contexts in which they make their decisions; hence there is no such individual as the socially isolated *homo economicus* since all social actions are defined not only by the social structures and institutions but also by the social relations with the help of which actors' actions are realised. Second, the economic approach to human behaviour allows different spheres of social action to be analysed as explicit or implicit markets in which individuals make choices during their attempts to maximise utility (see Becker 1976). It facilitates the discussion of supply and demand not only in conventional sense (i.e. on labour market), but also on other markets where the interplay of supply and demand is equally important (e.g. in this research, educational and migration policy markets). Third, as the sociology of migration is more event-driven than theory-led, the economic sociological framework delivers a more abstract level of theorising about the social process of mobility than different migration theories and scholars of migration allow (see Portes 1995c).

1.1 About the conceptual framework

When stating the aims of the thesis, I pointed out that by looking to extend the labour market segmentation theory for people with high human capital, overall I seek to understand the social organisation of the process of mobility, ultimately leading to the labour market incorporation of foreign graduates and professionals – or, ‘highly skilled’ migrants – at their chosen destination. ‘Social organisation’ and ‘highly skilled’ are two concepts central to my thesis, hence it is important to define the way I use them in the thesis.

I refer to ‘social organisation’ in a broader sense than it is typically used (i.e. social organisations being equivalent with social institutions and have distinct social roles in the society). By the social organisation of the process of migration, for instance, I am looking at how various actors and social institutions interact, structure and are structured by the

process of migration, being connected by social relations and acting in specific social contexts.² In my interpretation, examining the social organisation of a phenomenon depicts a dynamic act and needs a holistic, systematic investigation: how social order is created and re-created by actors, institutions and social relations; that is, how is human behaviour patterned during the process of realising that particular social phenomenon.

The other concept that needs clarification is 'skills'. As pointed out already in the introduction, the terminology used in highly skilled migration literature is confusing and therefore problematic. Earlier research on highly skilled migration focused almost exclusively on expatriate professionals. In fact, among the 'highly skilled' there is a clear distinction between intra-company transferees and others, and in most countries the former receive more privileged entry (Salt and Millar 2007). These 'elite immigrants', professionals whose mobility is encouraged by the global labour markets, are addressed in the literature as 'knowledge workers' (Meyer 2001), expatriate 'high-flyers' (Beaverstock 2004), 'transnational managerial elites' (Beaverstock 2005) or members of a 'transnational capitalist class' (Sklair 2000), made up of well-educated and experienced individuals, working for multinational corporations, and living cosmopolitan lives. They occupy positions at the upper end of the global economic and social hierarchies; they move within the internal labour markets of multinational companies; and they derive local benefits of their inherent human capital. These professionals are said to face fewer barriers of all kinds because they are capable of transferring their full human capital across borders (Salt 1983, 1997; Beaverstock and Boardwell 2000).

In reality, however, not all foreign professionals and graduates are 'elites'. Favell et al. (2006) called 'free movers' those non-elite, but mobile, often well-educated individuals who are neither high flying corporate global elites (who take top-level jobs, on the primary labour markets) nor poor labour migrants (who take jobs that natives reject, on the secondary labour markets). In their definition, free movers are 'career-frustrated spiralists who gamble with dramatic spatial mobility in their education and careers abroad to improve social mobility opportunities that are otherwise blocked at home' (Favell, Feldblum et al. 2006:9).

² This idea of looking at the social organisation of the process of migration is similar to Morawska's (2001b) conceptualisation of international migration as a structuration process, the reciprocal constitution over time of societal structures and human agency through everyday social practice.

Despite the terminological debates and due to the difficulties of measuring ‘total’ human capital (see e.g. Williams and Baláz 2005), the level of education is still central to any classification of ‘highly skilled’. Education, understood in terms of qualifications, is widely seen as the most important component of human capital (next to the individual’s language knowledge and work experience). Therefore, the academic practice is to measure migrants’ human capital with the years of completed education or levels of schooling: whoever completed tertiary education is considered to be ‘highly skilled’.

Yet, there are two problems with this. First, it is debated how much a year of additional education contributes to the increase in ‘skill levels’ of an individual and how much that is mirrored in his or her income. Reich (1991) pointed out that the increasing economic importance of theoretical knowledge has brought a significant increase in the economic value of education: education as an investment in human resources has a high social rate of return as it brings more benefits than costs to the society. Others argue, however, that educational credentials became increasingly important for not ‘learning to *do* a job’ but ‘learning to *get* a job’ (see, for example, Dore 1976; Collins 1979; Bills 2004). Educational credentials became less a means for increasing the human capital content of the degree owners (schooling for education), more a means of labour market access, upward mobility or ways of obtaining higher social status and prestige, which usually go with higher economic rewards (schooling for credentials). The processes of qualification escalation (a steady rise in the qualifications required for any particular job) and of qualification inflation (a steady fall in the job-getting value of any particular level of qualification) led to ‘diploma disease’ (Dore 1976) or ‘over-education’ (Bills 2004), common to all modernising societies. These two processes led to people staying on in school longer than either their intrinsic personal development benefits from learning or their need to learn something occupationally useful would justify. Having more years of education does not necessarily lead to people having the type of human capital increase that is valuable for employers.

Second, sociologists like to point out that skills are not the same as education. Referring to university-educated people as ‘highly skilled’ can be misleading. Skills can be characteristics of individuals, of jobs or work tasks, or even of the settings such as the workplace or the wider social environment (Noon and Blyton 2002). Even if using extent of schooling as a ‘proxy’ for skills is common among labour economists and

sociologists, this approach is not really justified (Bills 2004:6): one's levels of skills and schooling are not only determined by different things, but also lead to different labour market outcomes. Chiswick et al. (2005) argue that a formal educational system is associated with the production of general skills, while labour markets equate with job-specific skills. The latter are the skills that employers prefer. In migratory contexts, general skills have a higher degree of transferability than specific skills, and internationally oriented skills have a higher degree of transferability than country-specific skills (Chapman and Iredale 1993), which may suggest that cross-border mobility is most beneficial for inexperienced graduates.

Although I have started my research by looking at the 'highly skilled' and defining them conventionally as individuals with tertiary education, I have come to realise that it is by no means clear who are the 'skilled' or the 'highly skilled'. Evidence suggests that even those who are generically referred to as 'highly skilled' form a diverse group. In the thesis I refer to 'graduates' and 'professionals', and seek to understand the social process that leads to one being considered as 'skilled'. Therefore, I often refer to the subjects of my research as 'graduates' (individuals with at least an undergraduate degree, with little or no work experience) and 'professionals' (individuals with at least an undergraduate degree with more than five years of work experience, with or without professional body membership).

1.2 The *homo economicus* and the 'invisible hand'

Popular accounts of migration tend to stress economic factors such as wages and, in particular, the availability of higher wages overseas as the main drivers of mobility. Migrants typically move to find better paid work abroad than what is available at home. Economic migrants are often described as sharing the most characteristics with the ideal typical *homo economicus* (see McGovern 2007): the rational decisions maker whose human behaviour is dictated by economic laws. Moreover, professionals and graduates are discussed to be even closer to this ideal type. Their socio-economic – typically middle-class – background may facilitate their access to more, and more accurate, information, to greater financial capital and portable and internationally transferable

human-cultural capital based on which they can make more informed, rational decisions. In this section I elaborate on the emergence of this approach; then I address its limitations as well as its potential contribution to the labour market segmentation theory.

1.2.1 Neoclassical economic theory

Neoclassical economic theory provides what is perhaps the most widely recognised first general explanation of why people seek employment abroad. Early human capital theorists (e.g. Sjaastad 1962; Todaro 1976) argued that the single factor that stands behind the perfectly informed, rational cost-benefit calculation of a would-be migrant is the wage differential (the difference between the salaries in the home and host countries).³ Migrants having stable, consistent preferences and internationally transferable human capital rationally decide where to go in order to obtain the highest benefit (maximum income) from their move. For migrants in general highest benefits equal with maximum income; for those with high human capital, highest benefits mean employment and remuneration most appropriate to their formal education and training. Therefore, utility maximisation – and efficiency to achieve system equilibrium – drives their decisions; migrants embody therefore the ideal-typical *homo economicus* (Becker 1964).

Human capital theorists argue that the *homo economicus* perceives the act of migration as an investment that involves certain costs as well as benefits. Migrants only move if their cost-benefit analysis shows they would gain a positive net return from moving across borders. Costs, on the one hand, are materialised in the costs of travelling to the destination, the costs of maintenance, the effort of learning a new language and adapting to a new culture, or the social costs of leaving friendship and family ties behind (Massey, Arango et al. 1993). Benefits, on the other hand, are generally perceived as short- or long-term monetary gains in the form of expected earnings at destination (see

³ Later, they also included demand-led structural constraints in the model and emphasised that the expected earning gap (the real earnings in the host country multiplied by the probability of employment there) and not the real wage differentials have an impact on the decision to migrate (see Todaro 1976).

e.g., Borjas and Freeman 1992b) or non-monetary benefits such as gains of experience in new cultural and societal settings.⁴

The neoclassical economic approach to migration contains also a macro perspective. Economists argue that migrants look for employment abroad because of the interplay between supply and demand for migrant labour on the 'global migration market' (see Borjas 1990; Borjas and Freeman 1992a). Neoclassical macro-theorists assume that an 'invisible hand' always establishes market equilibrium. Therefore, they perceive international labour migration as a labour adjusting mechanism. People move from labour-rich, capital-poor countries to labour-poor, capital-rich states (flow of labour), and enable labour and capital markets to be in equilibrium. Moreover, labour economists suggest that in the sending and receiving countries the outcomes of the economic changes consistently increase the supply of labour while decreasing its costs. The process of international migration has thus reached its culmination today and economists refer to migrants as 'inexhaustible supplies of labour' (Portes and Böröcz 1989: 611).

1.2.2 Limitations of the neoclassical approach

The neoclassical approach to migration and mobility provides an insightful economic understanding of the reasons and determinants of people looking for employment abroad. As the first attempt to theorise about the individual and structural factors behind migrant decision-making, it brought concepts such as human capital, push and pull factors, or the power of supply and demand on global migration market into the centre of migration research. Virtually all contemporary migration research reflects and builds on these concepts and they are central also to my thesis.

⁴ The 'push-pull' model emerged from the list of costs and benefits to migration. Various scholars have elaborated a list of 'push' and 'pull' factors that can be equally applied to the home and host societies: those that push the individual away from its sending community (economic, social, political hardships in the poorest parts of the world) and those that pull the migrant in a particular direction (the potential comparative advantages in the more advanced states or regions). One major advantage of these theories is that any factor can be categorised as 'push' or 'pull', independently on the level (individual or structural) or on the place of impact (host or home country). However, the major disadvantages are that the list of 'push' and 'pull' factors can be elaborated only after the labour movements have already been initiated, and that almost every determinant can be considered to have a 'push' or 'pull' role.

Nevertheless, despite all its acknowledged merits, the neoclassical approach has its limitations, originating from its main assumptions: rationality; perfect and accurate knowledge of economic conditions; homogeneous skills and tastes of migrants; no barriers to mobility; that all migrants prefer more work and better wages to the opposite. Moreover, economic sociologists insist that neoclassical theories fail to account for important structural determinants of migration and mobility.

First, migrants are not perfectly informed rational decision-makers. The idea of rational utility maximisation – that is, meeting individual aims ordered by preference with limited resources – was questioned by emphasising the bounded nature of rationality (Simon 1982) from the standpoint of individual psychology (e.g. behavioural economists) or of the social environment (e.g. economic sociologists). For sociologists some economic actors are more rational than others, and rationality has more than one form of manifestation.⁵ Actors are not socially atomised individuals: the social environment and the social relationships enter every stage of the process of any economic action, from the selection of economic goals to the organisation of relevant means (Portes 1995a).

Second, migrants are not homogeneous in terms of education, socio-economic background, preferences or intentions. Evidence suggests that immigrants are greatly overrepresented in the upper and lower tails of the educational distribution (Bills 2004), and they are generally better educated than the rest of the population in their country of origin (Borjas 1992; Adams 2003). Moreover, not all individuals prefer to work more and obtain higher wages, or to move to a foreign country to do so. Only about 3% of the world population can be classified as migrants, and empirical evidence suggests that migrants in general are highly heterogeneous in terms of preferences and intentions (see Massey and España 1987; Portes and Böröcz 1989; Massey, Arango et al. 1993; Portes and Rumbaut 1996).

Third, positive wage differentials are not sufficient to make people move (rather, people give a different weight to various economic, social or political factors, depending on their life-cycle). Moreover, human capital is not perfectly transferable across borders (rather, people face barriers to full human capital transfer). The supply and demand on global

⁵ According to Weber (1921), some individuals are formally rational, that is, they maximise utility in the conventional way, under the condition of scarcity; others are substantively rational, that is, they allocate resources under other conditions than scarcity, such as communal loyalties or sacred values.

labour markets cannot fully explain the dynamics behind mobility (rather, the supply and demand on additional markets needs to be also considered). Furthermore, neoclassical theories cannot explain why people prefer to go to one destination over another. And finally, they cannot address the social process leading to employment abroad.

1.2.3 The emergence of differentiated multi-level theories

Current theories acknowledge not only the above mentioned limitations of the neoclassical economic approach to migration, but also the need to differentiate between various types of migrants. Different kinds of migrants have different motivations to engage in mobility according to their sending setting and individual financial, human-cultural and social capital, and therefore they may pursue different labour market practices at their new destination. The mobility of professionals and graduates, for instance, differs on many accounts from that of semi-skilled or unskilled labour migrants.

Portes' (1976) classic account of the social determinants of brain drain is one of the most thorough analyses of the individual and structural reasons for professional and graduate emigration. His account delivers the foundation for those multi-level theories that characterise the current transnationalist approach to professional and graduate mobility. These theories abandon the one-factor approach of early human capital theories and focus on the 'cumulative causation' (Massey 1990) of multiple factors, at micro- and macro-levels.

Portes draws on and completes the work of human capital theorists and highlights that both individual motivations and local, national and international factors shaping migration need to be taken into account when analysing the determinants of mobility. Overall, he argues that brain drain occurs not only because of unfulfilled individual expectations, but also because of international and national level imbalances. These operate at the level of the international economy (income, logistical support, prestige and residual differentials), national social structure (quantity and quality of internal supply and demand for professionals) and the configuration of individual influences and orientations (differences in professional achievements, in current life situations and in networks of social influence).

First, Portes discusses the individual determinants of emigration in structurally embedded terms. He explains the individual determinants as supply-led facilitators, dependent on the social networks surrounding the would-be migrant. Analysing the determinants of professional and graduate emigration, he concludes that 'professional emigration is a consequence of individual differences which have to do [...] with past training and achievements, current situation, and the network of social relationship surrounding the individual. The best trained, less encumbered, and more encouraged to leave the person is, the greater the probability of emigration' (1976:504).

These individual determinants of emigration were manifold completed. Scholars of the new economic sociology (e.g. Granovetter 1985; Massey, Alarcón et al. 1987; Tilly 1990; Swedberg 2003) emphasised that would-be migrants are mobilised not by the very best jobs but by their expectations regarding what is a good job for them. People who hold a university degree are not willing to take up any kind of job since their tertiary level education contributes to the rise in their expectations regarding employment and salaries. Furthermore, these expectations are not only derived from education but they are also socially embedded. Therefore, similar highly qualified migrants with different social backgrounds might have different job- and salary-related expectations.

Second, Portes (1976:500) notes that 'professional emigration is a consequence of internal structural imbalances between the supply of professionals produced by the educational system of a society and the internal demand for their services. The greater the excess of supply in quantitative and qualitative terms is, the greater the emigration.' In fact, Portes and Rumbaut (1996) have shown that the high supply of graduates facing a low internal demand for their services is a reason why the composition of contemporary migration tends to be positively selective in terms of human capital. They have pointed out that graduate and professional migration is likely to occur in countries in which university students are trained in advanced Western-style professional practices, but then find prospects and means to implement their training blocked because of poor employment opportunities or lack of equipment. Research confirmed that for countries with a low level of economic progress, an exodus of highly skilled workers is inevitable (e.g. Gurcak, Espenshade et al. 2001). Wickham (1992) also showed that this argument has a strong explanatory power in late developing countries where the national labour markets cannot keep up with the increased number of graduates, products of an expansive tertiary

educational policy. Studying the case of Ireland he argued that '[during the 1980s] the relationship between engineering education and the structure of the labour market has built emigration into the very culture of high-technology industry [...] where engineering education has become education for emigration [...] since [it granted] access to interesting and well-paid jobs [abroad]' (Wickham 1992:182-183). To complete this, Salt (1992b) and Iredale (2001) have found that the convergence towards international standards and procedures in education and in certain professions enable the mobility of Western trained professionals around the world while limiting the ability of non-Western trained professionals to move.

Third, Portes argues that the 'emigration of elite occupations is a consequence of international imbalances which permit advanced industrial nations to offer more attractive remuneration, work facilities, social standing, and general life conditions to those whose skills and talents they need' (1976:492). That is, professionals look for employment abroad also because their services are in demand abroad at higher prices than in their home countries and for higher social standing. In a later publication, however, Portes and Rumbaut (1996) have shifted away from this mono-national, overwhelmingly demand-led approach towards a more transnational idea of relative deprivation. They have argued that relative deprivation lies at the core of most contemporary migration, when individual expectations are formulated not in absolute terms but in relation to the surrounding possibilities and setting. That is, people do not migrate because of income differentials between sending and receiving countries but because of the gap between their life aspirations and expectations and the means to fulfil them in sending economies. The experience of relative deprivation tends to be positively selective in terms of both human capital and motivations; that is, migrants with higher levels of human capital opt more often for migration if there is a significant gap between salaries and work conditions at home and their expectations of acceptable salaries and work conditions for people with their level of education.

Overall, these accounts provide valuable foundations to the sociological understanding of professional and graduate mobility. By acknowledging that professionals and graduates differ on many accounts from semi-skilled and unskilled migrants, by treating professional migrants as socially embedded actors in both sending and receiving societies, Portes (1976) succeeded not only to challenge the human capital theory and to

change the perceptions of migrants from economic to social actors, but also to explain the most important individual and structural determinants – i.e. cumulative causes – behind their mobility:

- individual expectations regarding income, occupational and social standing as well as suitable work environment, dependent on individuals' life cycle, level of education and social position;
- the network of social relationships surrounding the individual;
- the balance between domestic supply of graduates and professionals and the internal demand for their services;
- and, most importantly, the gap between individual expectations driven both by individual characteristics and by the perception of relative deprivation when compared to advanced economies, and the existing means at home to fulfil them.

This theory is central to my thesis since it helps to understand why East European professionals and graduates may want to search employment abroad (to be discussed in Chapter 4). With regard to where they would go and into which segment of the labour market they would incorporate at destination, and how, Portes' theory hints only towards some implicit conclusions. Professionals and graduates may chose destinations with high wages, challenging jobs, local demand for professional services; and they would accept only professional and managerial jobs (otherwise the act of migration would not have a positive return). Hence, labour market segmentation or downward social mobility is, according to this approach, untypical to professional and graduate mobility.

Yet, these implicit conclusions are assumptions only. Moreover, this approach does not allow us to follow the social process of migration during which individual actions influence and are influenced by the social structure and social relations within which they are embedded. For these reasons, in the next sections I draw on those theories that provide a better framework to explain professional migrants' destination choices, their occupational attainment, and their labour market practices.

1.3 Global city destinations

According to neoclassical scholars international migration is a global labour adjusting mechanism. There are two neoclassical macro-strands to the mobility of people with high human capital (see Massey, Arango et al. 1993). On the one hand, a handful of economists argue that the international movement of labour⁶ should be kept distinct from the international movement of human capital: better-educated people move in the opposite direction to labour – they move from capital-rich to capital-poor states (follow the flows of investment capital) in order to obtain high returns to their skills. On the other hand, most theorists argue that the direction of the flow of labour is the same at all levels of education: highly educated people always move to capital-rich states where demand for professional services is greater than in labour-rich countries (see Straubhaar 1988). In their view, in capital-rich countries where labour and human capital are in demand, employers have better information about workers' productivity than the employers in the domestic economy, taking advantage of this 'incomplete information' to the cost of sending and the favour of receiving countries. Nevertheless, the neoclassical theory fails to explain the choice of migrants among destinations with similar conditions. As a response to the limitations of this approach, current migration theories differentiate between demand-led and supply-led explanations of destination choice which I will address as follows.

1.3.1 Demand-led explanations

The demand-led explanations are popular with highly skilled migration studies. They suggest that the increasing interconnectedness of global businesses, the shift to knowledge economies that require a high level of human capital, the skill shortages in certain affluent countries and the existing occupational niches are more powerful in

⁶ Wallerstein (1979), for instance, argues that the penetration of the capitalist economic structures into peripheral, non-capitalist societies creates a mobile population; hence the migration of the labour force flows from peripheral and semi-peripheral regions to the core, parallel with but in the opposite direction to the international streams of goods and capital.

attracting professionals to certain settlements than income differentials. As Piore argues, 'It is employers, not the workers and the jobs, not the income, that are strategic when analysing migration. Even if certain conditions in the sending country are required, the active agents seem to be the evolution of the receiving country and the forces emanating from it. [...] The most prominent explanations of the demand for migrants suggests that migration is a response to general labour shortages' (1979:19-26).

The demand-led view claims that most labour shortages are in few settlements called 'world cities' (e.g. Beaverstock, Doel et al. 2002), 'global cities' (e.g. Sassen 2001a) or even 'global city-regions' (Scott, Agnew et al. 2001). Global cities, often also large in terms of population size, hold central positions in the global capital flows, being characterised by high concentration of businesses with global outreach (see Sassen 1988; Sassen 2001a, 2002a). Global cities are spatial articulations of the global flows that constitute the world economy: 'nodes in multiple networks of economic, social, demographic and information flows [...] where capital, human resources, information and commodities are produced, exchanged, and consumed' (Smith and Timberlake 2002). Global cities thus channel and control foreign investment, and they are well-connected to other similar settlements. Sassen (2002b) notes that the interlinked global organisational architecture – the network of global cities – has two distinct characteristics. It contains 'not only the capabilities for enormous geographical dispersal and mobility but also pronounced territorial concentration of resources necessary for the management and servicing of that dispersal and mobility'. She notes that cities become parts of the network through technical connectivity, transport networks, globally active firms, cross-border transactions, and the growth of transnational labour markets for professionals and specialised service workers.

These theories explain professional mobility as an outcome of the interconnectedness of few global cities around the world. Tied to global capital and labour markets, global cities form the global or world city 'network', and professionals move between them, along the links that bind these settlements together (see Beaverstock, Smith et al. 2000; Scott, Agnew et al. 2001; Beaverstock, Doel et al. 2002; Sassen 2002a). In fact, Beaverstock et al. (2002) argue that urban success or failure depends on inter-urban connectivity, that is, the quantity and quality of connections cities have with other cities; these connections form the network of global cities. Drawing a hierarchy between these

interconnected cities, Beaverstock et al. (1999) found that professionals generally move from 'gamma' to 'beta' to 'alpha' world cities; that is, from the fringes towards the centre. They ranked various cities after the number of their multinational headquarters and found that the centres of the world city network are the 'alpha world cities': London, Paris, New York and Tokyo. Highly skilled work is based at the core of the global city network; hence the move of professionals or graduates to cities such as London is attractive and means the possible acquisition of significant work experience.

Professionals' regular movements within the global city network is often discussed from the transnationalist perspective (see Beaverstock 2002, 2005; Beck-Gernsheim 2007). Evidence gathered by Portes (2003) showed that more educated, male, better networked immigrants were more likely to participate in transnational practices. Yet, transnational living calls into question the discussions around the choices of destination, and suggests that the 'transnational elites' on the move do not choose destination as traditional migrants; rather, their location choices are transient, temporary and volatile.

The global city theory is often criticised for having a bi-polar view on the social world. A response to this criticism was the emergence of the transnationalist⁷ view as a new form of theorising about the dynamic articulation between sending and receiving settings (Brettell 2000). Migrants are found to maintain ties with their home countries even when they are incorporated into the host societies, calling into question the conventional assumptions about the direction and impacts of international migration. Overall, this perspective emphasises the decreases social distance between sending and receiving societies because of the improved modes of transportation and communication. This allows migrants to maintain social ties in multiples countries – even to the extent of working in one country, living in another –, transforming the social space within which they operate to single arena for action. According to transnationalist scholars, contemporary migrants are not 'uprooted' from their settlements of origin in order to establish themselves in settlements of destination; rather, they are embedded in multi-layered social fields, and move between origins and destinations – 'here' and 'there' – freely and frequently (Glick Schiller, Basch et al. 1995; Levitt, DeWind et al.

⁷ Transnationalism is defined as a social process whereby migrants operate in social fields that transgress geographic, political and cultural borders (Glick Schiller, Basch et al. 1992, 1995); some authors also speak about transnational conditions of being (Portes, Guarnizo et al. 1999) or transnational practices (Levitt 2001).

2003; Levitt and Glick Schiller 2004). These theories were, however, criticised on the grounds of historical precedents of transnational actions, the role of states in regulation migratory flows, methodological limitations and analytical ambiguities (see e.g. Foner 1997; Morawska 2001a; Waldinger and Fitzgerald 2004).

All in all, global cities such as London or New York are special places on their own, placing the global city theory in the centre of my thesis. Global cities are especially attractive for professionals and graduates because they offer a large variety of expert jobs, often accompanied by high wages, 'fast-track' careers, and high social status and prestige (see e.g. Beaverstock, Smith et al. 2000; Sassen 2001a, 2002a). In fact, these cities have become global marketplaces for skilled migrant workers (Beaverstock and Smith 1996), mostly because they have a high concentration of corporate headquarters, especially within the service sector. These cities' corporate economy is supported by a transnational managerial elite that is 'highly-educated, highly skilled and wealthy [...] with hyper-mobile international careers and cosmopolitan cultural distinctiveness' (Beaverstock 2005:248). Findlay et al. (1996:50) even argue that 'the pool of skilled international labour is both a pre-requisite and consequence of being a global city. It is a pre-requisite since a labour pool of this type is needed to offer firms the capability of coordinating activity [...] and it's a consequence since operations of this kind attract those with specific international skills to global cities.' For these reasons, global cities and their surrounding areas have become 'escalator regions' for mobile individuals. Two characteristics of these regions stand out: first, young middle-class individuals trained and formed in 'escalator regions' by geographical out-migration can move away in their careers often to a higher level position; second, individuals can achieve accelerated upward social mobility in 'escalator regions' by geographical in-migration. Savage et al. (1995) see London and South-East England as an example of an 'escalator region', in recent years them becoming prime destinations for all nationalities from across Europe (see Favell 2004).

Overall, the demand-led explanations of destination choice argue that receiving settlements such as global cities attract certain kinds of individuals by offering them higher wages and social status, challenging jobs and better career opportunities. They are doing this because of the structure of the world economy, existing skill shortages or occupational niches, the active agents being employers and the jobs they offer. Global city theories were criticised, however, because of their empirical weaknesses and over-

emphasised nature of a bipolar world and of hierarchies of urban settlements (see Samers 2002). Moreover, challenging the structuralist, demand-led perspective of global city theories, Hanlon (1997) emphasised that professionals' destination choice depends not only on the structure of the world economy but also on their reasons for engaging in mobility. He found that there are three types of destinations for professional and graduate movers, depending on what they want to get out of those particular destinations: experience markets (valuable professional experience and skills), money markets (high salaries) and leisure markets (enjoying life); but he points out that the type of technical knowledge professionals can get from, for instance, a leisure market destination would limit one's marketability on returning to a preponderantly experience-based market. Global city labour markets therefore can be considered in Hanlon's terms experience or money markets (or, ideally, both) because of the large amount of well-paid, highly skilled work available; I shall investigate this in Chapter 5.

1.3.2 On supply-led explanations

Hanlon's theory is somewhere mid-way between demand- and supply-led explanations of destination-choice by addressing the need to also consider individual migrants' motivations, not only the structure of the economy. Overall, the supply-led explanations emphasise the power of individual decisions embedded in social networks and social relations when choosing certain destinations over others. Emphasising the social embeddedness of economic action, scholars define migrants' destination choice as where their social networks lead them (e.g. Massey, Alarcón et al. 1987; Portes and Sensenbrenner 1993). They argue that social networks, sets of strong and weak ties that build an elaborate system of social support between individuals, which may have a significant impact on orienting the mobility of the human capital and, as I will address later, on facilitating immigrant labour market incorporation, often to ethnic niches.

Yet, we know little about the power of social networks on professionals' decision-making. There is little evidence for social networks being as relevant for professionals and graduates as for the unskilled and semi-skilled migrants. If anything, some scholars (e.g. Mahroum 2000; Meyer 2001) suggest that highly skilled migrants rely more on

their human-cultural capital than on their social capital when making decisions regarding their mobility. They are likely to move to destinations which are centres for their specific occupation rather than those which have high concentration of friends and relatives. With my thesis I aim to examine the effects of social networks on highly skilled migrants' destination choices as well as practices of labour market incorporation.

Overall, these accounts on migrant destination choices highlight the complexities that stand behind these decisions. The demand-led explanations stress the importance of the characteristics and strength of attraction of receiving settlements and of employers; the supply-led explanations emphasise the power of migrants' social relations and social networks directing them towards few destinations. This thesis seeks to combine both elements in what is, in effect a transnational perspective. Chapter 5 will offer insight into the mechanisms of destination choice of East European professionals and graduates.

1.4 Labour market incorporation

Similar to their motivations and destination choices, there is very little known about professional and graduate migrants' labour market incorporation practices and occupational attainment at destination. On the one hand, the neoclassical approach assumes unproblematic labour market incorporation of highly skilled migrants, mostly because of the assumptions with which it operates: perfect transferability of human capital and same value of human capital on all markets. Doing so, it is unable to explain, for instance, why people with high human capital end up in semi-skilled or unskilled jobs in the destination country. On the other hand, on arrival foreign professionals and graduates become statistically, occupationally and socially 'invisible' at destination (see Salt 1992b; Findlay, Li et al. 1996; Favell 2004), making difficult the research of their social practices of obtaining employment.

Yet, migrants' labour market incorporation is an important area of concern for migration scholars and policy-makers for at least two reasons (Bean, González-Baker et al. 2001). At the level of policy, lack of incorporation signals that admissions policies or practices consign immigrants to positions at the bottom of the occupational and social hierarchy. At the level of theory, lack of incorporation suggests that changes in the

social or economic circumstances that immigrants confront might inhibit their incorporation. Understanding thus the social process leading to migrants' labour market incorporation as well as two of its most important consequences (migrants' occupational attainment and their earnings at destination) represent some of the main concerns among migration policy-makers and academics alike.

In this section I address first the currently popular measures of incorporation; then I review the leading theoretical approaches regarding the sources of labour market segmentation, challenging the human capital theory; finally, I enumerate the most commonly perceived individual, social, structural or institutional barriers to migrants' labour market incorporation.

1.4.1 Measures of incorporation

Successful labour market incorporation is typically measured by minimal earning differentials between migrants and natives of similar educational level and/or occupation, earnings reflecting the economic role and the social status of any employee. The economists' view of labour treats it as a commodity where the wage is its paid price dependent on the forces of supply and demand for it. The social view, on the other hand, discusses labour and wage as embedded in social contexts. Wage is perceived as defining 'the social relationships among people in the productive process, conferring prestige and establishing patterns of authority and subordination' (Piore 1979:94). Therefore, economists' account of labour market incorporation discusses earning allocations: the smaller the earning gap between migrants and natives, the more successful migrants' incorporation.⁸ Wages have, however, not only an economic function as the indicator of income but also a social function: they confer status and prestige to their recipients. People generally expect the wage structure and the hierarchy of social status and prestige to coincide. Yet, according to Piore (1979), social and economic wages should be treated in the short run distinctly; social wage follows

⁸ Chiswick (1978) found – and recent OECD (2007) data backed up – that immigrants' earnings rise with post-immigration experience, which leads to the narrowing of the earning gap between immigrants and natives: after 10–15 years, immigrants' earnings can equal and even exceed that of the natives.

economic wage only in the long run when status and prestige are determined by and reflect the wage that is attached to the job.

Therefore one needs to distinguish between the objective and subjective aspects of labour market incorporation: the former is measurable by earnings, occupational attainment or social class positions and is important from the host country's perspective; the latter is about migrants' feelings about one's own status, situation or achievement. Castles et al. (2002) showed that often the subjective indicators of incorporation are as important as the objective ones. They pointed out, for instance, that within a small group of refugees, although many individuals have achieved significant social mobility they have very different evaluations of their success.⁹ Immigrant incorporation is thus a complex social process and successful incorporation desirable for the host economy and immigrants alike. Yet, the meaning of 'success' varies. Immigrants expect equity and wages suitable to their education; host countries want to make the best use of the immigrants' skills (Chapman and Iredale 1993). Therefore, when measuring professionals' and graduates' level of labour market incorporation, it is important to look not only at their wage levels compared to natives but also at the kinds of employment they receive. Do they find suitable employment for their formal education or training? Do they incorporate into that sector of the labour market where there are skill shortages? In which circumstances do they face devaluation of their credentials or glass ceilings in their careers? Successful incorporation, as Cancedda (2005:17) pointed out, 'enables skilled immigrants to reach a social, economic, and professional condition [that] is appropriate for their education, status, and rightful expectations to further develop their "cognitive capital," without that this implied a total loss of their ties to their societies and cultures of origin'.

⁹ Refugees' definition of successful incorporation goes beyond simple, measurable, individual occupational mobility, and includes indicators such as quality and strength of their social links with other compatriots in Britain, and their ability to ensure that their children can enter the professions (see Castles, Korac et al. 2002).

1.4.2 Sources of labour market segmentation

Acknowledging the influence of the social structure on migrants' incorporation, Portes and Böröcz (1989) made professional migrants' labour market incorporation dependent on the context of reception, i.e., highlighting this way the importance of migrants' destination choices on their occupational attainment. Without defining which structures, institutions or agents the context of reception may include, they describe three heuristic types of incorporation (see Table 1). First, handicapped contexts (e.g. when denied political asylum, facing racial discrimination) make it difficult for professionals to obtain jobs commensurate with their qualifications; in these situations they end up in low status jobs as 'ghetto service providers'. Second, neutral contexts where individual merit and skills are the most important determinants of successful incorporation allow professionals to take up jobs in the primary labour markets. For example, they consider the intra-EU or the Nordic labour markets as neutral contexts. Third, advantaged contexts guarantee upward mobility to high status, elite positions of professional and civic leadership.

Table 1: Modes of economic incorporation

Context of reception	Class of origin		
	<i>Manual labour</i>	<i>Professional-technical</i>	<i>Entrepreneurial</i>
<i>Handicapped</i>	Secondary market incorporation	Ghetto service providers	Middleman minorities
<i>Neutral</i>	Mixed labour market participation	Primary labour market incorporation	Mainstream small business
<i>Advantaged</i>	Upward mobility to small entrepreneurship	Upward mobility to positions of professional and civic leadership	Enclave economies

Source: (Portes and Böröcz 1989:620)

The shortcoming of these heuristic types is that they state the outcomes only, and do not explain how the social process of labour market incorporation is organised. Portes and

Böröcz (1989) assume immigrants with similar socio-economic backgrounds are supposed to end up in the same socio-economic positions if the context of their reception is the same. There is evidence that this does not always happen, however. What kinds of jobs do foreign professionals and graduates obtain? In which segment of the labour market are they incorporated? How do they get employers to recognise, formally and informally, their qualifications, skills and former work experience? What do they do, if anything, in order to obtain a satisfactory return on their education?

In order to find answers to these questions in the followings I present two perspectives that look thoroughly into the components of the context of reception, and account for the social and institutional factors that influence immigrants' labour market incorporation. By doing this, I seek to revisit those sociologically oriented theories which provide a better understanding of the social organisation of labour market segmentation and which highlight the role of various social institutions in contributing to the separation of similar migrants, arriving to the same destination, into different groups. I refer to them as the institutionalist and the social network approach.

The institutionalist approach

This approach states that labour market segmentation and, for some migrants, unsuccessful labour market incorporation occurs because of ill-functioning institutions in the host country. In fact, as Reitz (1998) found, immigrants from similar origins have different entry-level earnings in different societies; this finding, similar to the suggestion of Portes and Böröcz (1989), accounts for the fact that the characteristics of the receiving societies are the key source of occupational and earning gap between immigrants and natives. Reitz argues that the most important institutions (i.e., labour markets, educational institutions, social welfare institutions and the immigration policy) and their impact on immigrants' labour market adjustment in the host country should be examined together since they collectively influence immigrant incorporation. I elaborate on the ones most relevant to my thesis as follows.

Labour markets Explaining segmentation through various characteristics of the receiving labour market is popular to most migration studies, and can be separated into two approaches. One group of scholars such as Piore (1979) or Edwards (1975) look at

labour markets as bifurcated entities, and discuss immigrant positions and statuses in its two segments. Institutionalists such as Reitz (1998; 2002), on the other hand, explain the social positions of immigrants as the outcome of interactions and the social practices of the institutions in the receiving country.

Labour market segmentation scholars postulate the existence of two separate labour markets where mobility is allowed only within but not between them. These two markets are stratified along two dimensions: the characteristics of jobs and the characteristics of individuals. The primary segment meets basic and constant demands of the economy and therefore contains stable (and according to some authors, also privileged) membership in standard employment, governed by an internal labour market. The secondary segment meets seasonal or fluctuating demands of the economy; its members require no or little on-the-job training therefore these jobs are de-standardised and do not possess much skill specificity. Jobs in the primary segment are capital intensive, permanent, full-time, well-paid, secure and of high status; in the secondary segment they are labour intensive, temporary, irregular, badly paid and of low status (see also McGovern, Smeaton et al. 2004; McGovern, Hill et al. 2007). Overall, these scholars emphasise the existence of barriers between the two labour market segments. They argue that the bifurcated nature of labour markets and the social mechanisms regulating job assignments impede all immigrants from being able to take up employment in the primary segment; they also cut the ways of upward mobility. In Piore's view, immigration 'satisfies the need to fill the bottom positions in the social hierarchy [...] and it meets the requirement of the secondary sector of a dual labour market' (1979:19-26). Therefore, returning to Portes and Böröcz (1989) categories, most structuralist scholars assume that all contexts of immigrant reception are handicapped. For this reason immigrants can only take a distinct set of jobs that the native labour force will not accept, not competing with but complementing therefore the native workforce. Therefore, professionals and graduates cannot incorporate into that segment of the labour market that is suitable for their education and past experience.

Others acknowledge, however, that not all contexts of reception are handicapped: global labour markets make the mobility of certain type of labour easier. Among many others Wallerstein (1979) and Sassen (1988) argue that relationships among countries, regions and major cities form various financial, labour and commodity chains that facilitate the

mobility of professionals, the most mobile segment of the global workforce, allowing them to move into high-status jobs of the primary labour market segment. Nevertheless, they argue that the segmentation between the high-skilled primary and the low-skilled secondary labour markets is getting worse because of the new labour markets produced by the technological change and the global economic restructuring.

Other institutionalists, on the other hand, argue that various characteristics of the labour markets may affect the entry-level earnings because they influence the self-selection at particular skill levels and affect earnings allocation for those with a given level of skills (see Reitz 1998). For example, those labour markets are more attractive to immigrants that are perceived to permit meritocratic employment, and upward occupational and social mobility. Furthermore, the real demand, skill shortages and the mechanisms on the labour market may also cause segmentation. While employers, immigration lawyers and leaders of various industries argue that each country should try to attract ‘the best and the brightest’ individuals in order to maintain national comparative advantage, Cornelius and Espenshade (2001) found that there is little indication of the upward pressure on wages that a real shortage on a well-communicating labour market would have. They also found that some interests groups and legislative critics deny the existence of skill shortages precisely for these reasons. They embrace the ‘race to the bottom’ hypothesis (Rosenblum 2001:373) and say that employers have an ‘idiosyncratic, non-market concept of labour-shortages – namely that a shortage is presumed to exist whenever leaders of high-tech industry are unable to find sufficient workers of the type they want *at a wage they are willing to pay*’ (Gurcak, Espenshade et al. 2001:7 – emphasis in original).¹⁰

Educational institutions Another type of institutions contributing to labour market segmentation are the host country’s educational institutions. They are particularly important for professionals and graduates on the move for at least two reasons. They influence the recognition and assessment of migrants’ educational levels since they set the educational standards for the native workforce with whom migrants have to

¹⁰ They argue that professional and graduate migrants drive down wages even in the upper occupational segments of the labour markets (e.g. Borjas and Freeman 1992a) and that the wage-depressing effects are increased if young workers from developing countries are willing to work longer hours for lower pay than their native counterparts (Rosenblum 2001). Although there is a big and ongoing debate about this, recent research in the US did not find evidence that skilled immigrants had a negative impact on wages and employment opportunities in the host economies (see e.g. Lofstrom 2001).

compete. If migrants' educational levels are not recognised as competitive, formally or informally, labour market segmentation may result. Moreover, the host country's educational institutions also deliver opportunities for immigrants to adapt themselves to or access the local labour market through education, to pursue further training, or to change careers through re-specialisations (see Reitz 1998).

Contrary to human capital theorists' expectations (that education provides marketable skills and abilities relevant to job performance: the higher qualified applicants are, the more valuable they are for the employers, and this is mirrored in their incomes and job opportunities), professionals and graduates acquire a high level of local and context-bound knowledge that may not have the same value abroad (Salt and Kitching 1990). The specific knowledge of some professionals such as lawyers or accountants on their home countries' legal or accounting systems can represent a comparative advantage for them at home, but be of little value for employers once they have left the country. Engaging in cross-border mobility may thus posit one's credentials, experience and skills under new light, and assign new values to it. While there is little known about how employers assess the foreign qualifications and experience of foreign applicants, current research suggests that the non-recognition of credentials and of foreign work experience is one of the most common sources of labour market segmentation.¹¹

Zulauf (1999) found that there is little guarantee that tertiary-educated migrants will have their qualifications recognised in practice. Despite the increase over the last two decades in transnational accreditation within certain regional blocks such as the European Union, formal legislation on the mutual recognition of qualifications does not guarantee access to jobs in host countries commensurate with migrants' credentials obtained prior to migration, nor does it guarantee smooth access to the labour market (Zulauf 2001). In fact, studies suggest that the non-recognition of credentials leads to lower returns to migrants' home country education and experience than for similar education and experience acquired in the host country, after immigration (see Chapman and Iredale 1993; Ferrer and Riddell 2004). Non-recognition is more pronounced in certain professions (such as the health sector or law) and less in others (such as finance,

¹¹ Recognition of a person's qualifications, skills or both can mean 'formal acceptance by a body (registration/licensing body, etc) or informal acceptance by an employer or employing body' (Chapman and Iredale 1993:360).

business or computer sciences). Chapman and Iredale (1993) found a correlation between country-specific skills and the level of formal qualification: the greater the skill acquired, the less transferable it is internationally. Chiswick et al. (2005) argue similarly that the more general (education-based) skills are, the higher their degree of international transferability; not only country-specific but also job-specific skills are more difficult to transfer.

Furthermore, informal recognition of credentials is widely practised by employing institutions. Informal barriers can be found at both national and workplace levels in the form of organisational, practical, cultural or attitudinal restrictions to mobility. Employers rate a person's training and background qualifications informally, and this rating then determines the level at which the immigrant will access the profession. Chapman and Iredale (1993) and Zulauf (2001) found that knowledge about qualifications other than the broad basics and about the recognition procedures is minimal among employers and immigrants. Employers do not know the value and meaning of foreign credentials and treat them as unimportant; similarly, immigrants do not know the requirements for getting their credentials recognised, or think that formal accreditation of foreign credentials is unnecessary.

Employers' recognition of potential employees' work experience undertaken in a foreign country is also problematic as knowledge about employment conditions in specific employment sectors in different countries is virtually non-existent. Chiswick (1978) found that in the US the effect of someone having a year of pre-immigration labour market experience is lower for the foreign born than it is for the native born. Research showed that poor information flows are a key factor in non-recognition of prior work experience and thus of possible unsuccessful labour market incorporation (e.g. Zulauf 2001; Benson-Rea and Rawlinson 2003). Migrants know very little about the labour market, employment conditions, the culture of the profession and work relations at destination; what they know has usually come to them by word of mouth. On the other hand, employers do not know much about work experience from other contexts; in fact, they are often inflexible and sceptical about 'foreign' skills.

Immigration policy Lastly, the immigration policy is considered another significant source of labour market segmentation among institutionalist scholars in general (Chapman and Iredale 1993; Iredale 2001): the immigration policy regulates access to

residency within the host society and can be controlled to suit the particular needs of the host economy.¹² Therefore, the immigration policy is very much cohort specific: an immigration policy in place at any particular time affects only the cohort arriving at that time.¹³ A permissive immigration policy might attract individuals without any clear choice of migrant destination. A strict immigration policy and control reduces, however, the possibility of mobilising the social capital of migrant networks, thereby significantly influencing the location decisions of migrants (see Collyer 2005). A strict immigration policy can also create second-class statuses at the workplace. Despite being legally employed, second-class status reflects 'legislative biases that ensure that the majority of high-skilled immigrants enter as non-immigrant visa holders rather than as permanent residents' (Rosenblum 2001:378). Many employers choose not to hire in the first place or not to extend the contract of employment of immigrants after a temporary contract has expired because of the complicated and often costly process of regularising immigrants' status. In these cases, immigrants' career development is largely dependent on government policies and regulations regarding work permits, as well as employers' willingness to spend time and money on them instead of recruiting natives.¹⁴

In the view of many institutionalist scholars, if professional and graduate migrants are not able to find employment in their field of expertise, it is likely that the migration policy is not achieving some of its stated objectives. However, Cornelius and Espenshade (2001) argue that governments deliberately sustain labour market segmentation by encouraging 'bimodal distribution of demand' for immigrant labour, addressing high and low skilled immigrants with differentiated immigration policies: they leave the back door open for mostly low skilled immigrants, while admitting legally through the front door the well-educated

¹² Another type of institution contributing to labour market segmentation are welfare institutions and the tax system of the host country. They can affect immigrants' incorporation by altering their location within the overall system of distribution as well as the impact of labour market inequality. There is very little known on the effect of these institutions on professionals and graduates labour market incorporation practices. What it is known that they are rarely found to engage in mobility because of advantageous welfare allowances (Reitz 1998) though favourable tax regulations may influence professionals' destination choices (Mahroum 2000).

¹³ Scholars argue that the immigration policy only affects the selection process (and can be selective by occupation or based on skills or nationality) and not the income allocation of the immigrants.

¹⁴ Beaverstock and Smith (1996:1392) found that large corporations are able to negotiate immigration legislation in part, or restructure in situ, to overcome specific problems concerning the entry of foreign nationals. Zulauf (2001) pointed out that migrants' foreign status became less significant only once they had moved from their first employers or had been in the host country for more than four years. After this, migrants were competing on more equal terms with native workers in relation to language, culture and experience.

migrants, the so called ‘high-tech braceros’. The ‘bimodal demand’ for immigrant labour contributes, however, to the institutional maintenance of a segmented labour market.

Rosenblum (2001) completes the ‘bimodal demand’ model with the ‘bifurcated supply’ of highly skilled labour. He emphasises that ‘highly skilled labour’ is a heterogeneous category, despite all individuals having a higher level of human capital compared with other immigrants. He argues that, on the one hand, ‘elite immigrants possess the skills and creativity to contribute to the most cutting edge firms in the world. But the majority of high-skilled immigrants [...] are simply average individuals with some technical training who find themselves in a tight global labour market’ (Rosenblum 2001:375). The matching of Cornelius’s and Espenshade’s (2001) bimodal demand and Rosenblum’s (2001) bifurcated supply models suggest one supposition: employers recruit the ‘elite immigrants’ to guarantee competitive advantage and they employ the ‘average high-skilled immigrants’ to hold down labour costs.

Mahroum (2000) developed a typology of university-educated migrants based on the immigration policies to which each category is likely to respond (see Table 2). He pointed out that the mobility of professionals and graduates can be encouraged not only by classic immigration policies and regulations, but also by business initiatives, inter-governmental and institutional policies, or favourable tax regulations.

Table 2: Mahroum’s types of university-educated migrants

Group	Type of determinants	Type of policies
Managers and executives	Benefits and remuneration	Business oriented
Engineers and technicians	Economic factors (supply and demand mechanisms) The state of the national economy	Immigration legislation Income tax
Academics and scientists	Bottom-up developments in science Nature and conditions of work Institutional prestige	Inter-institutional and inter-governmental policies
Entrepreneurs	Governmental policies (taxation, protection) Financial facilities Bureaucratic efficiency	Governmental and regional policies Immigration legislation
Students	Recognition of a global workplace Accessibility problems at home Intercultural experience	Inter-governmental and inter-institutional policies Immigration legislation

Source: (Mahroum 2000)

Yet, Reitz (1998) argues that there are serious limits on the capacity of immigration policy-makers to establish a high degree of control over immigrants' skill levels, since immigrants are to a significant extent self-selected, influenced by the conditions in their home and host countries as well as in other potential countries of destination. I shall return to these points while analysing my empirical material.

Overall, the institutionalist approach to labour market segmentation addresses some of the limitations of the human capital theory and suggests that professional and graduate migrants' occupational attainment at destination is dependent on the structure and functioning of at least three institutions in receiving societies: the labour market, the educational institutions, and the immigration policy.

The social network approach

One of the most influential sociological approaches to labour market incorporation argues that social networks not only direct migrants to certain destinations, but they also powerfully influence the type of jobs migrants receive. Generally, social networks in migratory contexts – called most frequently migrant networks (e.g. Massey, Arango et al. 1993), but also migration channels (Findlay and Garrick 1990) or migration systems (Fawcett 1987) – are sets of interpersonal ties that connect migrants, their employers, non-migrants and former migrants in origin and destination through strong or weak ties.¹⁵ Whereas the predominance of strong ties in migrant networks is considered to facilitate unskilled or semi-skilled migrants employment search at destination (Massey, Alarcón et al. 1987 and many others), weak ties are expected to help professionals in finding a job (Findlay and Garrick 1990; Bagchi 2001).

Scholars differentiate between three sorts of weak ties: occupational, industry and community ties. Occupational links connect people within a profession, often within the same corporation; the cross-border mobility of individuals using occupational ties – the intra-company transferees – has been widely studied (see, for instance, Findlay, Li et al.

¹⁵ Tilly (1990) even differentiates between sending and receiving migrant networks: the former are constituted by the connections among people at a given point of origin, the latter among people at the destination. The knitting together of the two creates new networks that span origin and destination; these pairings influence the ways and segments of the labour market and society into which similar migrants from same origins incorporate at destination.

1996; Beaverstock 2004, 2005). Industry links connect people from wider occupational sectors; the mobility and global professional labour markets of accountants, bankers, lawyers or IT specialists is known in this regard (Beaverstock 1996b; Beaverstock and Boardwell 2000). Finally, community links connect individuals with the same ethnic, racial or educational backgrounds; the mobility of professionals and graduates following community links – if existent – has yet to be documented.

Most researchers agree that migration is self-perpetuating because of the power of the social ties that bind migrants and non-migrants together. Although reliance on social networks depends on individual needs and life-cycle characteristics (Waldinger and Lichter 2003), models of migrant networks emphasise the importance of family and friendship ties because they lower the economic and social costs of migration through channelling information between network participants; they mobilise individuals, especially family members; they make mobility accessible for a larger number of people; and they facilitate social incorporation at destination.¹⁶ Yet professional and graduate migrants, given their higher socio-economic status, often possess the ability to obtain immigration- and job-related information from other sources than family or ethnic ties; they might even travel to the potential destination country before taking up a job offer.

Therefore, if migrant networks do play a role in getting professionals and graduates a job, their composition, role and participants' dependence on it must differ from the migrant networks for the unskilled. All current studies on professional and graduate mobility provide evidence of some sort of networks that form the basis of the process of

¹⁶ The social-network-led employment-finding strategy of migrants is so widespread in the literature that very few researchers question it (e.g. Collyer 2005; Krissman 2005). Critiquing the 'Massey model', Krissman (2005) thinks that the widespread migrant network approach is in fact unable to explain why migratory flows continue or expand even further. In his opinion migration studies have failed systematically to tie employers and their recruitment agents to their analysis of international migration and that the current migrant network paradigm is too heavily weighted towards labour supply-side factors because it focuses too narrowly on labour-sending hometowns and the migrants originating in them. Similarly, Collyer (2005) found that social networks cannot always explain migration, especially the flows leading to countries where immigration is strictly controlled. He says that political and economic factors have a bigger impact on migration decisions than the existence of social networks, since policy restrictions can prevent migrants from reaching family members. Elaborating on the economic factors, Krissman (2005) argues that migration studies must take into account the employers that demand new immigrant workers, as well as all the other actors who respond to this demand. That is why – in direct opposition to the 'Massey model' – in Krissman's (2005:34) view 'international migration networks seldom originate in and are never comprised exclusively of individuals from the same hometowns; [that] migration is not self-perpetuating, but continues to be affected by non-hometown actors in and/or native to the labour-receiving nation; and [that] labour recruitment continues to be a major stimulus to international migration'.

migration, employment search, or both. These networks are diverse, ranging from global city networks (e.g. Beaverstock, Smith et al. 2000; Scott, Agnew et al. 2001; Sassen 2002a) to networks of transnational corporations (e.g. Beaverstock and Boardwell 2000) or of scientific diasporas (Meyer and Brown 1999). However, few of the studies deliver evidence about the existing micro-networks among graduates or professionals that would be similar to the kith-and-kin networks that form the basis of traditional labour migration.

Meyer (2001) found that professionals tend to rely more on extensive and diverse networks of colleagues, fellows and relatives who they can mobilise for their recruitment rather than addressing kinship networks. Findlay and Li (1998) found that individuals' position and motivation shapes the migration channels and networks that professionals might use. Bagchi (2001) differentiates between employment and spousal migrant networks among professional migrants, relying on weak and strong ties, respectively; yet, when talking about networks, she does not look at the ties connecting migrants, non-migrants and their employers, but bases her analyses on other means of entry: the types of visas immigrants receive. She says that immigrants entering on work permits use employment migrant networks; those entering on dependent visas use spousal migrant networks. She found that employment network usage has been increasing during the 1990s in the USA, and that women are predominant in spousal networks. However, her analysis falls short in a major area: what she calls weak or professional ties within a migrant network are in fact types of approved visas. It might be that there are no migrant networks at all behind the visa applications, or that those who entered the USA occupationally were in fact mobilised by non-spousal family ties.

Very little is known also about the extent to which professionals and graduates are embedded in their own ethnic communities. Research suggests that professional migrants do not often interact with their co-ethnics; they do not have strong links with fellow nationals in host countries (e.g. Iredale 2001; Meyer 2001). Ethnic networks do not offer the kind of social ties that professional networks might offer, and they rarely provide opportunities to find better employment. Often ethnic networks even put a glass ceiling on immigrants' social mobility (Cancedda 2005). Therefore living in ethnic enclaves is rarely status enhancing for migrants who want to progress in their profession, because of the diversity in backgrounds of the members of these social groupings.

Overall, even if debated, the social network approach to labour market segmentation suggests that professionals' and graduates' occupational attainment at destination might be dependent on their professional social relations. In Chapter 6 I will investigate the extent to which social ties influences Hungarian and Romanian professionals' and graduates' occupational attainment in London.

1.4.3 Barriers to incorporation

The aforementioned explanations of labour market segmentation already highlighted a number of barriers to incorporation. The economists' approach to labour market segmentation perceive the major barriers to incorporation as deriving from the structure of domestic and global labour markets. The sociologically oriented approaches complement this by highlighting the importance of labour market practices and of the functioning of other institutions beyond the labour market (i.e. educational institutions, immigration policies) in facilitating or limiting migrants' occupational attainment at destination. Scholars who emphasise the social embeddedness of economic actions stress the role of social ties and of the mix of capital of immigrant families in directing migrants to certain occupations. An OECD (2007) report found that qualified immigrants encountered difficulties could be attributable to: (a) unobserved differences in the 'value' of degrees or in intrinsic skills; (b) problems with the recognition of degrees acquired in the country of origin; (c) a lack of human and social capital specific to the host country (e.g. proficiency in the language); (d) the local labour market situation; and (e) various forms of discrimination. Overall, professional and graduate migrants may face the following barriers in destination countries, affecting their occupational attainment:

Individual, human capital related limitations

- *Lack of language proficiency* The lack of adequate competence in the host country's language is the most significant barrier that professionals and graduates can face if they want to get jobs in the field of their prior education and training. Professional and managerial jobs require not only more language and communication-based work but also more social interaction than routine or manual occupations. Therefore, inadequate language knowledge influences more

graduates' and professionals' employment chances and occupational attainment than those of unskilled or semi-skilled migrants. Zulauf (2001) found that the lack of proficiency in foreign languages inhibits extensive interchanges between EU member states.

- *Self-selection* Individuals motivations to engage in cross-border mobility coupled with their expectations from their move can limit the kinds of jobs or levels of employment they are looking for at destination.

Institutional limitations

- *Ill-functioning labour markets* Economies with bifurcated labour markets and reduced mobility between labour market segments can limit foreign professionals and graduates occupational attainment and development. Furthermore, no real demand for professionals' and graduates' services, no real skill shortages can lead to underemployment, higher earning gaps between migrants and natives, or both.
- *Legal restrictions to access certain occupations* Certain areas of employment that protect the interests of the state, such as the army, policy, diplomatic and judiciary services, as well as senior positions in public administration, are often excluded from the mobility provisions (Zulauf 2001:24). In certain countries, teachers for instance are classified as civil servants, therefore qualified immigrants who would be able to take up teaching jobs at destination find it difficult to gain employment, despite their qualifications.
- *Employers' selective labour market practices* Employers' lack of recognition of foreign work experience and credentials, formally or informally. Discriminatory recruitment practices, especially reliance on employees with preferred ethnic origin.
- *Ill-functioning educational institutions* The lack of formal recognition of foreign credentials and qualifications can prevent professional and graduates to occupy positions according to their formal training. Similarly, limited access to local educational institutions for further trainings or re-specialisation can limit foreign professional chances of labour market incorporation, career advancement, or both.
- *Strict immigration policy* It can create secondary status at work, if it is difficult to obtain or renew work permits; it can increase the extent of the gray or black economy, limit well-educated migrants into jobs on the secondary labour market. Immigration policy can also contribute to the institutional maintenance of labour

market segmentation through ‘bimodal demand’ for unskilled and highly skilled labour (Cornelius and Espenshade 2001).

Social relations and social networks related limitations

- *Lack of occupational or industry ties* It can prevent professional and graduate migrants from having access to local labour market information, local practices and experiences, limiting therefore their capabilities of mobilising specialised resources for obtaining labour market accreditation or signalling availability towards employers within the same industry.
- *Embeddedness in ethnic networks/enclaves* Given the diversity in backgrounds of the members of migrant communities at various destinations, deep embeddedness in their own ethnic communities can direct professionals and graduates into jobs within the ‘ethnic enclave’ or put glass-ceilings on their social and occupational mobility.

All above mentioned limitations to migrants’ successful labour market incorporation influence their occupational attainment at destination, decreasing their employment chances in getting a job appropriate to their formal education and training. The thesis will highlight which of these barriers have an impact on Hungarian and Romanian professionals’ and graduates’ occupational attainment in London.

1.4.4 Gender, migration and labour market incorporation

The sociological study of professionals’ and graduates’ labour market incorporation cannot be complete without a reference to the role of gender in labour mobility.¹⁷ There is wide consensus about the feminisation of migration (see Kofman 2000; Willis and Yeoh 2000; Castles and Miller 2003). While women’s presence among migrants was relatively insignificant at the turn of the century, currently it is believed that over the half of the

¹⁷ Due to the existing vast and multidisciplinary literature on gender and migration, with reference to household and family, regions of origin and destination, transnationalism, employment and work, social networks, immigrant politics, citizenship and refugees (see e.g., Willis and Yeoh 2000), the detailed analysis of the gendered nature of professional mobility is beyond the scope of my thesis.

world's 120 million legal and illegal migrants are women (Ehrenreich and Hochschild 2004).¹⁸ This has given an increased attention to the study of gender in migratory contexts, both as an analytical concept in the field and as a topic of research.

The gendered analysis of migration arose from the examination of social networks and family, women's employment and labour market participation, more commonly in qualitative rather than quantitative research. Traditionally, women's move was seen to be closely connected to the moves of their networks of social relations, giving rise to the dominantly anthropological literature on the role of gender in migrants' social incorporation and ethnic community construction at destination (e.g., Phizacklea 1983; Morokvasic 1984; Hondagneu-Sotelo 1994; Brettell 2000). With the increasing labour market participation of women, the number of studies on women's occupational and labour market positions also increased (see e.g., Kofman 2000; Hondagneu-Sotelo 2003; Ehrenreich and Hochschild 2004; Ryan and Webster 2008). They reveal that female migrant workers are overrepresented in the least desirable occupations and they are repeatedly found to have the worst occupational status, wage and employment conditions of all groups in the labour market (Phizacklea 1990). The dominant reasons are the following. First, the gender segmentation of the labour market and the discriminatory practices of employers: migrant women tend to be recruited and employed to do "women's work" such as being maids, nannies, nurses, domestics or sex workers (see e.g., Rubery 1996; Vernez 1999; Ehrenreich and Hochschild 2004). Second, the rise of global cities: the lifestyle of professionals, the increased employment of women in recent years in corporate professional jobs created a specific demand for low-paid service workers, this being met by a supply of migrant women doing the 'invisible' work around global city households, from childcare to cleaning and cooking (Sassen 2002a, 2004). Third, women's embeddedness in social networks: studies that look at the significance of gender in understanding immigrants' networking opportunities and economic experiences at destination revealed that women's relationships tend to be more fragmented, less resourceful and less enduring than those of men (see Hagan 1998; Parks 2005; Zinn, Hondagneu-Sotelo et al. 2005; Amado 2006). Therefore, gender segregation of work-related networks seems to shape women's labour market outcomes in the host country.

¹⁸ In the 1990s, for instance, women outnumbered men among migrants to USA, Canada, Sweden and Britain (Ehrenreich and Hochschild 2004).

Gender is often ignored in studies of professional mobility. Even if women represent about 40% of highly skilled migrants (Batalova 2006:96), there is little known about the gendered nature of professional mobility. Even if some studies criticise the gender-blind highly skilled migration literature (see the work of Willis and Yeoh 2000; Pessar and Mahler 2003; Yeoh and Willis 2004; Kofman and Raghuram 2005; Curran, Shafer et al. 2006; Donato, Gabaccia et al. 2006; Kofman and Raghuram 2006); yet, more research has to be done on the cross-border mobility and career paths of professional women. Frequently, women are studied either as workers in the state-regulated reproductive sector (education, health or social work, e.g., Zulauf 2001) or as ‘training spouses’ rather than lead migrants, adaptive followers of their professional partner’s mobility trajectory (see the “productive man” vs. “reproductive woman” debate). Yet, while following their partner’s mobility paths, women – often professionals themselves – find difficult to build international careers; in fact, they often experience a devalorisation of their productive functions and a relegation to the domestic sphere because their partner’s mobility is not advantageous for their own careers (Yeoh and Khoo 1998). Moreover, as studies generally point out, if incorporated into the labour market, professional women reach less favourable positions and earn less than professional men, even after adjusting for human capital and work-related characteristics; this especially apparent in “male bastions” such as law, academia, medicine, sciences, or engineering (see Batalova 2006; Lucas 2007). Focusing on a variety of professions, the thesis will show what effect, if any, gender has on the migration process of Hungarian and Romanian professionals and graduates.

1.5 Summary and research questions

In this chapter I have presented those perspectives which provide my theoretical framework for the study of the social organisation of the process of professional and graduate mobility, leading to migrants’ labour market incorporation at destination. While my focus is restricted to East–West mobility, particularly to the move of Hungarian and Romanian professionals and graduates to London, I was drawing on the wider theoretical and empirical literature on migration and mobility because there is hardly any empirical literature on East–West migration of the highly educated.

In order to focus on the different aspects of professional mobility, I have separated the studied social process into three consecutive steps: reasons and determinants to engage in cross-border employment search, the mechanisms of destination choice, and the labour market incorporation practices. This enabled me the reliance on three dominant strands of literature covering each of these steps: the human capital theory of neoclassical economics – and its critiques – elaborating on the reasons of mobility of the well-educated; the global city theory and its alternatives elaborating on how particular settlements can be more attractive for professionals and graduates than others; and the labour market incorporation and segmentation theories explaining how professionals and graduates may find employment abroad, and which social institutions, structure or relations may impact on their occupational attainment at destination. Overall, revisiting various theoretical approaches to professional and graduate mobility, in this chapter I showed how the central emphasis of migration studies shifted over the years from the individual and his/her decisions (i.e., human capital approach) to the broader structural-institutional determinants of human migrations within a transnationally interlinked, global economic system.

First, in my discussion of the neoclassical literature on human capital and migration I emphasised that one of the main contribution of this approach was to introduce concepts such as human capital or supply and demand on global migration market into the agenda of migration research. Yet, I also pointed out that the neoclassical approach has a number of limitations. It assumes there is a perfectly rational and perfectly informed migrant population with homogenous preferences over time and across countries; it also presupposes that similar human capital has the same value across the world, or that people respond to wage differentials and are ready to move in order to maximise utility. I also presented Portes' (1976) multi-level theory on the social determinants of brain drain. This approach stresses that professional and graduate mobility must not be studied as an individual act; rather as embedded within the sending and receiving social structures as well as the social networks of the mover; therefore, the determinants leading to emigration of professionals operate not only at individual but also at national and international level. Overall, I highlighted that the initiation of migration flows is best accounted by a combination of views originating from human capital and neoclassical economic theories (Sjaastad 1962; Todaro 1976; Borjas 1990) and from social capital and cumulative causation theories (Massey, Alarcón et al. 1987; Massey

1990). Overall, my discussion of the neoclassical literature and its critiques provides the background for my first research question:

- What are the determinants and reasons for the search for employment abroad by East European professionals and graduates?

Do East European professionals and graduates represent a homogenous group of individuals? What kind of utility do they try to maximise, if any? How responsive are they to East-West wage differentials, other national and international structural-institution imbalances or social relations? Are there any determinants or reasons which differentiate East Europeans from professionals and graduates from those originating in other parts of the world? Regarding their decision-making mechanisms, are they indeed ideal types of the *homo economicus*? I will address all these questions in Chapter 4, and then in the light of all empirical findings of the thesis revisit them in the conclusions.

Second, in my discussion of global cities I differentiated between demand-led and supply-led explanations of destination choice. The demand-led approach emphasises the power of receiving settlements such as global cities in attracting certain types of migrants. Global cities are especially attractive for individuals with high human capital since they offer a large variety of expert jobs, often with high wages, fast-track careers and occupational prestige and status connected to the symbolic value of working ‘at the core’ (see e.g., Beaverstock and Smith 1996; Sassen 2001b). The supply-led approach emphasises, on the other hand, that social networks lead professionals and graduates toward certain destinations; nevertheless, there is very little known about whether social networks work the same way for professionals and graduates as for labour migrants (Meyer 2001). Overall, my discussion on the literature on destination choices informs my second research question:

- How do East European professionals and graduates decide to go to one destination rather than another?

Are their decisions to arrive to London led by supply or by demand? That is, are they directed to London by their social networks? Or rather, by the characteristics of the settlement where they aim to be employed and the local demand for their services? If social networks play a role in choosing a destination over another, do weak or strong ties dominate? What are the specific reasons for East Europeans for arriving to London

rather than anywhere else, if there are any? I will address these and other questions in Chapter 5, revising them again in the conclusions.

Finally, in my discussion on immigrants' labour market incorporation I highlighted the influence of various institutional and social structures as well as of social networks and labour market practices that influence the social process of incorporation, potentially creating segments on the labour market by sorting immigrants into various jobs at destination. I briefly emphasised the value of a more sociological approach to labour market analysis (in contrast with the economistic view of evaluating incorporation only in terms of occupational attainment and wage gap between immigrants and natives), upon which I will further elaborate in Chapters 6 and 7. Overall, these theories raise my third research question:

- How is East Europeans professionals' and graduates' labour market incorporation organised socially?

That is, which segment of the labour market do they join, and how? How do social institutions, social mechanisms and social relations shape their occupational attainment? Is it the structure of the labour market or the social relations and social networks that sort migrants into various occupations? I address these questions in Chapters 6 and 7.

Overall, the thesis intends to fill in the knowledge gaps on East–West professional and graduate mobility and to feed back into the theoretical debates addressed above. By doing so, it seeks to challenge the widespread *homo economicus* image of professional and graduate migrants, and to highlight the social facets of their mobility, both at individual and structural levels as well as in their sending and receiving countries. It also seeks to examine the impact of mobility on East European professionals' and graduates' occupational attainment in London, aiming to extend the labour market segmentation theory to the case of the professionals and graduates.

Current sociological theories on migration and mobility interpret foreigners' labour market incorporation as being mostly dependent on the movers' levels of human capital as well as the social structure, social institutions and social relations *at destination*. In the thesis I seek to show that by focusing only on destination, an important part of the social process of labour market incorporation of foreign professionals and graduates is ignored. I seek to argue that the social process of incorporation and professionals' and

graduates' occupational attainment at destination depends as much on the social structure, institutions and social relations at destination as on those *at origin*. The sending countries not only offer opportunities and resources for migrants, but also contribute to the formation of the human capital, values and preferences, as well as intentions of those engaged in mobility. Therefore, in my interpretation, the labour market incorporation of foreign professionals and graduates should be studied not only in integrated multi-level models (analysing both individual and structural determinants of mobility) but also in transnational terms (looking at origin *and* destination), especially within tightly interconnected social spaces such as that of Europe.

2. East–West mobility and the ‘highly skilled’

The limited knowledge on East–West professional mobility within Europe and the exploratory nature of my study makes necessary to devote greater attention than usual to the understanding of the wider social context within which these mobility flows occur. During the last two decades virtually all countries have become part of a multi-dimensional global matrix of movement involving people, capital, goods, services and ideas. Many have now become conscious of the need to compete for skills in the world’s ‘migration market’ (Dobson, Koser et al. 2001). The economic, political or social effects of mobility have made it crucial for policy-makers, academics and the general public to know about the flows, stocks and kinds of individuals involved. Nevertheless, migrants are notoriously difficult to count, so migration statistics are often confusing, disputable or questionable. Different national statistical offices define migration differently, leading to lack of harmonised international data on migration; and estimates on migration flows or indicators of potential migratory behaviour often create a ‘statistical imagination’ regarding migration and mobility, rather than produce precise knowledge. Furthermore, migration statistics published in the media often ignore the complexities of the phenomenon and, as Salt and Millar (2007) formulated, alarm rather than inform. The picture is even more complicated if one is looking for data on highly educated migrants: the levels of educational attainment are rarely mentioned in migration statistics.

Debatable as all migration statistics are, in this chapter I try to assess the volume and spread of this social phenomenon. My general aim is to provide an overview of East–West migration before attempting an estimate of how many university educated Hungarians and Romanians may be engaged in East–West mobility flows. The chapter is split in two parts. In the first I look at the sending end: emigration from Eastern Europe and the migration history of the region (especially Hungary and Romania), with special emphasis on professionals and graduates and their destination choices. This first part will show how East–West professional mobility is embedded within the wider East–West migration patterns while examining whether there is evidence for brain drain. In the second part I look at the receiving end: immigration to Britain and specially London from Eastern Europe, with special emphasis on those arriving from Hungary and Romania,

particularly professionals and graduates. The second part of the chapter will show the East European migration flows in terms of numbers and content compared with those of other nationalities arriving in Britain, and London in particular. The chapter ends by making estimates of the size of the research population, that is, of university-educated Hungarians and Romanians working in London at the time of my research.

2.1 East European migrations

The emigration of East Europeans, either legally or when they were fleeing the country, was a typical form of political resistance throughout the 20th century. Wallace and Stola (2001) delimited four distinct phases in the history of East–West migration within Europe. In the first phase, the period between 1850 and 1920, an estimated 30 million East Europeans left for the West. Primary destinations were North America, Western and Northern Europe, especially Germany, France and Britain. At the beginning of the 20th century the majority of migrants were labourers who found seasonal employment either in the agricultural sector of the receiving countries or moved into big cities. Whereas in the interwar period the majority of the East European states were both migrant sending and receiving countries, in the late 1940s deliberate policies of resettlement, forced labour displacements, border changes, and transfers of ethnic minorities led to the emigration of more than 15 million people; hence the second period of East–West migration is the one between 1920 and the late 1940s when many East European nationals left their countries, especially after the Second World War.

The third phase of East–West migration is the period of Cold War division of Europe from the late 1940s to 1989, when migration was a state-governed phenomenon with stringent exit restrictions and special exit arrangements for members of various ethnic minorities. There are only limited statistics on emigration from Hungary and Romania during the communist era, and rarely any accounts of the migrants' educational level.¹

¹ Historians usually analyse the more than 40 years of communism in Hungary and Romania in two periods, differentiation which is mirrored also in the waves of emigration. In Hungary, 1947–56 is the so-called 'Stalinist period' of Mátyás Rákosi, and 1956–89 is the period of 'welfare communism' of János Kádár. In Romania, 1948–65 is the 'Stalinist period' of Petru Groza and Gheorghe Gheorghiu-Dej, and 1965–1989 is the period of 'national communism' of Nicolae Ceauşescu. For general Hungarian and

Nevertheless, Háblicsek and Tóth (1996) argue that part of the reason for the decline in the population in Hungary and Romania during these four decades is emigration.² In Hungary, a major outflow of citizens happened after the 1956 revolution, when nearly 200,000 persons left the country, without any permission (Hárs 1995). These included people who had formerly been subject to political persecution, those who were discontented with or newly persecuted by the communists, and those who simply took advantage of the temporarily uncontrolled borders. The majority of these people emigrated to the United States, Germany, Austria or Britain. After this the migration flows became state-controlled again, an estimated average of 5,000–8,000 people leaving Hungary yearly, until 1989.³ No socio-economic characteristics of these emigrants are known.

In Romania legal emigration was during communism extremely restricted. There are no official statistics available on the number of people who may have left the country, legally or illegally. Nevertheless, Sandu (2005) estimates that during the period of ‘national communism’, especially between 1975 and 1987, an average of some 25,000 people left yearly; this increased during the 1980s to around 29,000 persons emigrating yearly.⁴ Ethnic minorities represented two-thirds of permanent emigrants (INSSE 2003, 2005). About 12.3% of all permanent emigrants of this period were university educated (Poledna 2001).⁵

Romanian communist and post-communist history see Szász 1995; Boia 1997; Mitu, Copoeru et al. 1999; or Gergely and Izsák 2000. See also the works of Deletant (1995; 1999) and Tismaneanu (2003), which provide excellent insight into the history and society of Romanian communist era, and Tismaneanu (1999) and Gallagher (1995; 2005) on post-communist transformations.

² After 1945 three types of emigrant flows can be delimited. First, the German minorities in Hungary and Romania were deported by the Red Army to the Soviet Union (at least 40,000 from Hungary according to Salamon 1996 and 70,000 from Romania according to Poledna 2001). Second, an additional 220,000 Germans from Hungary were relocated to Germany in the name of ‘national guilt’ proclaimed in the Potsdam Treaty; and Slovaks from Hungary were ‘exchanged’ for Hungarians from Czechoslovakia in the name of the ‘population relocation’ proclaimed in the Beneš Decree. As well as these two state-governed migration flows, there was a third, illegal one formed by those fleeing communist prosecutions (generally members of former political and economic elites, of the aristocracy, intelligentsia or religious leaders). Their number is unknown.

³ By 1989 the overall number who had left was slightly more than 130,000 (Tóth 2002). Other research indicates that 80% of the population change between 1980 and 1990 was a consequence of international migration (Háblicsek and Tóth 1996). This resulted in a population decrease in Hungary of about 268,000 people (that is, 80% of 334,640, as presented in Appendix I, Table 1).

⁴ Official statistics account for the permanent emigration of about 360,000 persons during the 1975–89 period, with its peaks in the late 1980s (see Appendix II, Table 2). However, only the legal permanent migration flows can be documented from this period.

⁵ On average, between 1975 and 1989, more than 45% of all permanent emigrants were ethnic German, about 11% were ethnic Hungarian, about 7% were of Jewish origin and 2% were of another ethnic origin (see Appendix II, Figure 1).

Finally, Wallace and Stola's fourth phase is the period following 1989. The fall of the Iron Curtain and the opening up of the borders changed the characteristics of geographical mobility, and East–West migration became much more differentiated. During these years the dominant motivation for migration has changed, however. In the 1970s and 1980s people mainly emigrated for political reasons (Wallace and Stola 2001). Additionally, part of these migration flows as well as those of the early 1990s were ethnic in kind (see e.g. Brubaker 1998; Horváth 2004). Recent academic evidence shows that most of the migration flows from the 1990s and in present times are primarily economic in kind (e.g. Sandu 2000; Horváth 2002b; Csata and Kiss 2003; Bleahu 2004; IOM Romania 2004; Sandu 2005). In the following sections I focus on Wallace and Stola's fourth phase of East–West migration, that is, those occurring following the communist era.

2.1.1 Migration and mobility after 1989

The fall of the Iron Curtain marked the start of a comprehensive transformation process in Eastern Europe, which was characterised by transformations to the model of capitalist economic and democratic political systems implemented by Western societies. These changes took place in parallel in all sectors, as Kornai (2005) summarised – in the economy, in politics, in political ideology, in the relationship between law and society, and in social stratification. These transformations were generally peaceful, without external intervention, and they happened extremely rapidly. Yet the East European economies – although details varied considerably – began the transformation processes with few transition resources (see Sandu and De Jong 1996): a low 'hardware' stock of economic infrastructure; a low 'software' stock of human capital resources (including a low percentage of university-educated employees within the labour force, e.g. 6% in Romania in 1989); an absence of previous experience in market and/or democracy practice during communism; and little understanding of values and lifestyle in more developed societies.

During this fourth phase of East–West migration (from 1989 onwards) migration flows involved much more people (as a response and a compensation for the state-governed,

restricted flows) and have become much more differentiated.⁶ For instance, the number of permanent emigrants increased; so did the number of the participants in short-term and circulatory mobility, shuttle migration, economic activities disguised as tourism, student mobility and migration of both skilled and unskilled people (see Wallace and Stola 2001; Wallace 2002). Studies on the East–West migration and mobility of the late 1980s and early 1990s found that ‘ethnic unmixing’ (Brubaker 1998) was the major driving force for migration from Eastern Europe.

Hungarian mobility

The transition period in Hungary was rather short. Neither the economic nor the social costs of the transformations reached the level of the Romanian ones, which partly explains why fewer people left Hungary shortly after the fall of communism than left its neighbouring countries, especially Romania and Poland. How many left is almost impossible to say, especially with any accuracy about the numbers leaving in any particular year. Since individuals do not have to register with any authority unless they emigrate permanently, data on Hungarian emigration is scarce: Hungarian statistics register only those permanent emigrants who give up their citizenship. Based on these statistics, the peak year of emigration may have been 1993. The figures of the number of Hungarians who renounced their citizenship between 1990 and 1993 are as follows: 1,184 people in 1990, 436 people in 1991, 1,148 people in 1992 and 2,084 in 1993. After 1993 the number of Hungarians settling abroad permanently decreased; there were only 778 in 1999. Altogether 11,490 citizens gave up their Hungarian passports in the first ten years of the post-communist transformations (Tóth 2002).

There are couple of estimates regarding Hungarian emigration rates which go beyond the number of permanent emigrants renouncing their citizenship. These estimates are generally based on destination countries’ statistics and indicate that since 1991–92 the numbers of arrivals in various Western countries from Hungary have decreased (Melegh 2002). The number of Hungarian citizens in Western European countries was registered

⁶ Several studies describe the new patterns of migration from East to West (Manfrass 1992; Kupiszewski 1996; Wallace and Stola 2001) or focus on the possible impact of the fall of the Iron Curtain (Layard, Blanchard et al. 1992; Iglicka 2000) or EU enlargement (Fassmann and Münz 2002; Straubhaar 2002) on these sending economies and the mobility patterns of East Europeans.

as 36,437 in 1990, reached a peak of 75,169 in 1994 and at the beginning of 2000s it is estimated that about 60,000 Hungarian citizens were living in various European Union states (Tóth 2002). In 2005 about 45,000 Hungarian citizens were estimated to live in the old EU member-states (HVG 05/11/2005). Overall, estimates suggest that from 1989 until the mid-1990s around 100,000–120,000 people may have left Hungary (Hablicsek and Tóth 1996; Tóth 2002), equalling 1–1.1% of the country's population. What is unsure, however, is whether these citizens were positively selected because of any particular characteristics, for instance, high educational levels. The educational levels of East European legal migrants are only known in Poland and Romania (Kraler and Iglicka 2002:30).

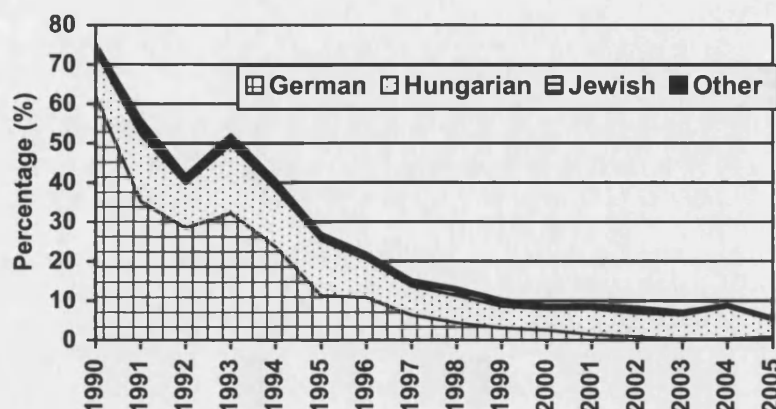
The population of Hungary has been decreasing since 1980 (see Appendix I), partly because of a decline in the birthrate, partly because of participation in international migration flows. On the one hand, during the 1980s 80% of the population change in Hungary was a consequence of international migration; yet international migration did not change the main trend of the population change in Hungary, it only influenced the degree of these changes (Hablicsek and Tóth 1996). Therefore, in the 1980s the out-migration of Hungarian citizens made the population decrease greater. On the other hand, since the early 1990s the number of migrants leaving Hungary has been smaller than the number of immigrants entering the country,⁷ migration reduced the population decrease by about half, and had an important impact on economically active population in the country. Without immigration Hungary's population would have decreased after 1990 by about 30,000 people yearly; however, an average of 15,000 immigrants have entered the country yearly, so the effect of the negative natural increase in the population has been partially counterbalanced by the number of immigrants entering the country.

⁷ Hungary experienced greater flows of immigration than of emigration after 1990. The number of immigrants to Hungary has risen steadily since the mid-1980s and reached its peak in 1990 (Hablicsek and Tóth 1996; Juhász 1997). Even if in the early 1990s Hungary was more a transition than a destination country, since the mid-1990s migrants have settled in Hungary; since the mid-1990s the number of migrants who acquired citizenship grew significantly (Juhász 1997). Yet, the foreign population of Hungary is about 1.5% of the overall population (Illés 2000).

Romanian mobility

The Romanian post-communist transformations occurred slowly. For instance, only 15 years after the collapse of communism and the implementation of numerous economic reforms did the EU Commission (2004) in its regular reports on Romania's progress towards accession conclude for the first time that Romania would have a functioning market economy. Expecting a sudden growth in the standard of living and overall quality of life as the communist regime collapsed in Romania, the population's disappointment came rather quickly; in their eyes the transition period turned out to be no better than the years under the communist regime, and there was a resigned acceptance that standards had not improved. Sandu (2005) called the sudden growth in emigration immediately after 1989 'compensation migration': a response to the societal transformations and a compensation for the frozen political-administrative context that was dominant prior to the fall of communism.

In the early stages of market and democracy transition in Romania, migration represented a search for places with greater market and democracy opportunities. In the period 1988–1991, shortly before and after the collapse of the communism, Romania saw massive out-migration, mostly by the members of the German and Hungarian minorities; in these years almost 300,000 persons left the country, 40% of whom were ethnic Germans and around 20% ethnic Hungarians (see Figure 1). Brubaker (1998) described this process as 'ethnic unmixing': a social process in which ethnicity represents the primary push factor at the point of origin (ethnic conflict) and also a pull factor at the point of destination (ethnic affinity) that facilitates migratory process and decision-making. Shared ethnicity as cultural and symbolic capital was thus not only a migration-facilitating social capital, but also an element of structural continuity in the structure of Romanian emigration (Sandu 2005:39). Moreover, Romanian migration pattern fit with the worldwide trends of feminisation (see Castles and Miller 2003). Over the 1990s the proportion of women among the permanent emigrants was consistently a couple of percentage points above 50%, and after 2000 the proportion of women emigrants was even greater: 55% of those who left in 2002, 59% of those who left in 2003, and 62% of those who left in 2004 and 2005 (INSSE 2006).

Figure 1: The share of ethnic minorities within permanent emigrants from Romania (1990–2005)

Source: Data based on INSSE (2007)

If the years between 1989 and 1992 were those of ‘ethnic unmixing’ (Brubaker 1998) and of permanent ‘compensation migration’ (Sandu 2005), in the following years there was a steady decrease in permanent emigration, at an average level of about 18,000 a year. There was also an increase in temporary circular migration, considered to be an innovative and new life strategy that individuals adopted in response to the challenges of post-communist transformations. From the mid-1990s the main grounds for emigrating were economic and to reunify families (IOM Romania 2004).

Circular migration abroad started to be more frequent with the increase of domestic poverty, the sharp growth in return migration from cities to villages, and the decline of permanent emigration (Sandu 2005:40). The trend of people emigrating as a life strategy was a consequence of Romania’s poor economic performance and the continuous deterioration of individuals’ economic livelihood. The latent concerns regarding the sharp decrease in Romania’s population during the 1990s peaked in the early 2000s, when the preliminary results of the 2002 census were made public: the total population was more than 1.1 million lower than it had been when the previous census was carried out in 1992 – around 5% smaller. Even if from 1992 there was a negative natural increase in the population, it can only explain a modest fraction of the decrease in population from 1992 to 2002; the rest of the decrease must be the result of out-migration by Romanian nationals. The rate of net migration in Appendix II, Table 2 is obtained by subtracting the figure for the natural increase in population from the figure

by which the population changed. Using this calculation, 837,642 persons ‘disappeared’ from the Romanian population statistics between the 1992 and 2002 censuses. If we look at statistics that cover a broader period in time, between 1990 and 2005, the difference between the change in Romania’s population and its natural increase in population is 1.13 million persons. Since immigration to the country is insignificant (0.3% of the population are foreign-born, according to Kraler and Iglicka 2002), it is highly probable that all these people have emigrated, or at least are long-term residents abroad. The discrepancies between these numbers and the available official statistics are substantial. National statistics only account for about a quarter of these migration flows: registering only those migrants who change their residence permanently, official statistics counted for the same period 372,628 emigrants⁸ and 98,150 repatriates⁹ (a negative net migration of 274,478).¹⁰

Overall, after 1989 the share of the Romanian adult population who had experience of working abroad was steadily growing.¹¹ According to IOM Romania (2004), in 2003 the share of households reporting at least one member working abroad was between 7% and 12%. Even if only 7% of households reported a migrant worker family member, this would account for about 10% (approximately 1.7 million individuals) of the active population. Therefore, circulatory and temporary migration has become the mainstream form of Romanian migration, especially after 2002, a form of mobility which Sandu

⁸ The Romanian National Institute for Statistics defines external migration as ‘change of permanent residence from Romania to another country, or from another country to Romania’ and emigrants as ‘Romanian citizens who settled their permanent residence abroad’ (INSSE 2003). Therefore the datasets register only the legal and permanent out-migration of Romanian nationals, and do not refer to other forms of temporary international migration.

⁹ Repatriates are those Romanian nationals living abroad who changed their permanent residence from abroad to Romania (INSSE 2003). This figure does not include non-national immigrants to Romania.

¹⁰ The 2002 Population and Housing Census did not count the 178,500 Romanian citizens living abroad ‘for an uninterrupted period of time, longer than one year’; but it included in the Romanian population 24,000 foreign citizens who had had ‘uninterrupted residence in Romania, longer than one year’ (INSSE 2004).

¹¹ The same trends are reflected by the declared migration intentions of Romanians and Hungarians. Within Eastern Europe the number of Romanians who have expressed a desire to migrate is high, but the number of Hungarians who have expressed the same desire is low (Hárs, Sik et al. 2001). During the 1990s the migration potential of Hungarians was fairly constant (around 5–6%) and it grew slightly in 2001 (to 10.5%) and decreased again afterwards. In 2002, 7.6% of the adult population in Hungary expressed a wish to travel abroad to find short-term work, 5.6% to find longer-term work and 3.4% reported a wish to leave the country for good (László, Sik et al. 2003). A study carried out for the IOM Romania (2004) estimated in August 2003 that 15% of the adult population of Romania wished to travel abroad for work and 4% of the adult population wished to leave the country for good. In Romania the potential for permanent migration – the absolute values of which are registered in the national statistics – never exceeded 3–5%.

(2005:45) found to be positively selective towards those who possess an increased level of human and social capital.

2.1.2 Traditional destinations of migration

In the early 1990s, around 80% of Hungarian and Romanian migration flows were directed to European countries (and 70% to an EU member state). The traditional destinations for Hungarian migration are Germany and Austria. About 80% of the Hungarian citizens who emigrated after 1989 now live in Germany. After Germany, the most next most common countries for Hungarians to emigrate to in the 1990s were Austria, Switzerland, Britain, Sweden, Italy and the Netherlands, listed in declining order of popularity (Melegh 2002; Tóth 2002). The total number of Hungarian citizens living in various European states is slightly less than 80,000, about 60–80% of all Hungarian citizens living abroad (Tóth 2002). Germany remains the most common destination for Hungarian migrants, but the number of people choosing Austria as a temporary home country diminished significantly (Melegh 2002).

The traditional destinations for Romanian migrants have also changed. Horváth (2007) identifies three different phases of post-communist Romanian migration, dependent on destinations: first, flows going to Hungary and Germany (1990–1995); second, flows going to Italy, Spain and Germany (1996–2002);¹² and third, flows going to Italy, Spain, Portugal and to lesser extent, to Britain (from 2002 onwards).¹³ During the 1990s, the two most important destination countries for emigrants from Romania were Hungary and Germany, since – as previously mentioned –, the Romanian migration flows were originally organised along ethnically well-defined networks of minorities, which the Romanian majority joined later. Brubaker (1998) suggested that this form of ‘ethnic unmixing’ cannot be considered as simple labour migration because the migrants’ ethnicity played a crucial role in ‘engendering, patterning, and regulating these flows’. Nevertheless, compared with the early 1990s, when the culturally defined

¹² The EU lifted visa restriction for Romanian citizens within the Schengen countries in 2002.

¹³ In 2003, for instance, 25% of Romanian labour migrants were heading to Italy, 18% to Germany, 12% to Spain, 6% to Greece, 5% to Hungary, 4% to Turkey, 2% to Austria and 1.1% to France and Belgium (IOM Romania 2004).

Gemeinschaftsgefühl and the social ties leading to Hungary or Germany encouraged the members of the relevant minority to move to one of these countries, in the late 1990s ethnicity became a mere migration facilitating factor, a form of social capital that could be easily converted to Hungarian or German labour market benefits, an ideological link that facilitates the channelling of migration (see Brubaker 1998; Horváth 2004).¹⁴ As soon as the value of ethnicity disappeared as one of the factors facilitating migration, the destinations of Romanian migrants have changed and are now more often Italy and Spain.

Britain was not a common destination country for most post-1989 migrants from Hungary and Romania (nevertheless shortly after the 1956 revolution a strong Hungarian migration wave led to the establishment of an 'old' Hungarian community in Britain). During the 1990s, the 200 or so Romanians who migrated to Britain were negligible compared with those choosing other countries such as Germany or Hungary. The popularity of Britain as a destination country grew, however, in the early 2000s: IOM Romania (2004) found that in 2003 Britain already had fifth place in the popularity ranking of all possible destination countries for migrants from Romania. Although higher in the ranking, Britain is similarly not the top destination for Hungarian migrants either: it is constantly the fourth favourite destination (Tóth 2002). This said, Britain is found to be the most popular European destination for highly-educated permanent emigrants from both countries (Rédei 2002; Radu 2003). Like North America, Britain attracts highly educated migrants from all over the world, including Hungary and Romania.

¹⁴ Therefore, the Hungarian minority's current migration patterns should be interpreted within the Romanian context and not as an outstanding 'ethnically defined' case: the Hungarian minority's migration behaviour has become very similar to the Romanian majority's conduct in terms of motivation (economic instability), migration destinations or socio-demographic characteristics (see Csata and Kiss 2003; Kiss and Csata 2004). For this reason researchers forecast the total 'de-ethnicisation' of migration: the networks that the Hungarian minority of Romania will use in order to find work abroad will steadily transform to become clusters of ties where ethnicity will not have any convertible value at all. They note, however, that the major Romanian migration networks lead to Western European secondary labour markets, whereas the 'traditional' Hungarian networks enable migrants to enter Hungary's primary labour market, a labour market which in Western Europe only a very narrow elite can join.

2.1.3 The mobile highly educated

Emigration flows tend to be polarised towards the upper and the lower end of the educational distribution. This was confirmed by various research, including the most recent SOPEMI report on international migration (OECD 2007). Romanian emigration flows are no different: they are also polarised towards the least and most educated people (Radu 2003); or, as Lăzăroiu (2002) phrased it, Romanian emigrants tend to be 'highly skilled and ambitious, or just ambitious' persons. Moreover, circulatory and temporary migration, the mainstream form of mobility in Eastern Europe since the early 2000s, was found to be positively selective towards those who possess an increased level of human capital (Sandu 2005).

Regarding the upper end of this polarisation, the mobility of the highly educated is currently much more extensive than 20–30 years ago. There are concerns about the brain drain worldwide, including in Eastern Europe, especially after the fall of communism. According to Docquier and Marfouk (2004), however, Eastern Europe as a region¹⁵ has a lower brain drain rate than the worldwide average, and it has been decreasing since the 1990s. Moreover, in relative terms, graduate emigration from Eastern Europe is not as big a problem as it is in 'brain exporting' countries such as Guyana, Jamaica or Haiti, where more than three-quarters of the country's graduates now live in an OECD country (*The Economist* 02/04/2005).

Despite the fact that neither Hungary nor Romania would qualify in the worldwide Top 10 of graduate exporting countries, they score well above the regional (East European) average in emigration rates of the tertiary educated (see Table 3). In Hungary in 1990 13.5% of the tertiary-educated labour force left the country; in Romania the rate was 11.1%. After ten years, in 2000, the rate decreased to 12.1% in Hungary and increased to 14% in Romania. Overall, in their study Docquier and Marfouk (2004) have found that the ratio of tertiary-educated emigrants within the tertiary-educated labour force

¹⁵ They considered as Eastern European region: Belarus, Bulgaria, Czech Republic, Hungary, Moldova, Poland, Romania, Russian Federation, Slovakia and Ukraine. Including Russia in the region distorts the regional averages towards the lower end, because of the country's low participation in international migratory movements.

was in 2000 four times higher in Romania and more than two times higher in Hungary than the ratio of emigrants within the total labour force.

Table 3: Emigration rates of tertiary-educated people in 1990 and 2000

	1990				2000			
	Emigration rate of tertiary educated	Overall emigration rate	Ratio of tertiary educated to total emigrants	Reliability rate	Emigration rate of tertiary educated	Overall emigration rate	Ratio of tertiary educated to total emigrants	Reliability rate
Romania	11.1 %	2.0 %	5.6	51.1%	14.1 %	3.5 %	4.0	66.1%
World-wide	4.8 %	1.6 %	3.0	:	5.5 %	1.7 %	3.2	:
Britain	18.9 %	6.9 %	2.7	96.7 %	16.7 %	7.0 %	2.4	98.6 %
Hungary	13.5 %	3.7 %	3.6	88.7 %	12.1 %	4.1 %	2.3	98.9 %
Eastern Europe	2.3 %	0.9 %	2.3	:	4.5 %	2.2 %	2.1	:

Source: (Docquier and Marfouk 2004)

Although I am not aware of any other studies on Hungarian emigrants' educational attainment or on the selectivity of Hungarian out-migration, in Romania there are some publications that put the emigration rate of tertiary-educated people higher than Docquier and Marfouk's estimations. During the period 1975–1989, 12.3% of Romanian permanent emigrants were university educated (Poledna 2001). This percentage has decreased in the years following the fall of Iron Curtain (6% in 1990, 6.3% in 1991) and increased afterwards (11% in 1992, 9.5% in 1993, 12% in 1994, 16% in 1995). Overall, during the 1990s the ratio of university graduates among permanent emigrants from Romania was always below 20%, but has been growing steadily since 1999 (Panescu 2004). A SOPEMI report described a significant increase in the out-migration of Romanian citizens with higher educational levels in 2000, including those with high-school and post-graduate degrees (an increase of 40.9% compared with 1999), of teachers (increase of 24.6%) and economists (increase of 38.4%), without mentioning the absolute numbers (OECD 2002:242). Moreover, the percentage of university graduates among permanent emigrants reached 27.1% in 2001 (OECD 2003:261), and seems to have stabilised at that level. In 2005, 26.3% of the approximate

613,000 Romanian citizens living in OECD countries were found to be highly educated (OECD 2007). The report notes that this is not an unusually high percentage, and that it is in fact lower than many countries' at a similar level of development. Nevertheless, the percentage of highly educated emigrants as a proportion of all emigrants is high if we consider that 27.1% is more than double of the proportion of Romanians who have tertiary education among the total population (12%).

Various INSSE (2006; 2007) statistics report that well-educated Romanian emigrants go to non-EU OECD countries (16%) such as USA or Canada rather than to the European Union (11%). This is in line with the general trends in destination choice of the well-educated worldwide: Docquier and Marfouk (2004:28) found that 53% of OECD-educated migrants were residing in the USA in 2000 and only 16% in the EU. Yet, as mentioned before, those who chose a European destination, are likely to arrive in Britain (Radu 2003).

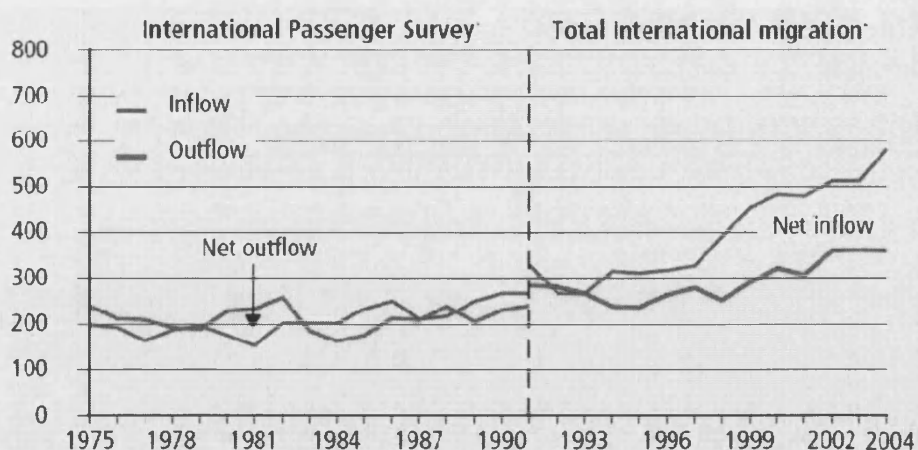
Overall, this first section of the background chapter on East European migration has shown three important matters of relevance to my thesis. First, that Eastern Europe as a region has a strong culture of migration, although it is stronger in certain countries (e.g. Romania) than others (e.g. Hungary). As migration became possible for a wider number of people, the pattern, direction and composition of these flows became differentiated: temporary, circular migration replaced permanent migration; economic migration replace those initiated because of political or ethnic reasons; the migration flows became feminised and positively selective towards those with high human and social capital. Second, there is conflicting evidence of brain drain from Eastern Europe. On the one hand, university-educated people from Eastern Europe are more prone to move than their less educated co-nationals, but this is a tendency worldwide. Furthermore, the ratio of highly educated emigrants among all emigrants from Eastern Europe is lower than this ratio among emigrants worldwide or among those from countries with a similar level of development. All this would suggest that there is no brain drain from Eastern Europe. On the other hand, the emigration rate of tertiary-educated people from Eastern Europe as a proportion of all emigrants is at least double the ratio of tertiary-educated people within the population, raising questions about the detrimental economic and societal effects of their departure. Finally, the mobility of the highly educated seems to be in line with the migration behaviour of other co-nationals, but their choices of destination differ from the choices of the less educated. Britain is the prime European

destination for the well-educated Hungarians and Romanians. For this reason the second section of this chapter focuses on the flows, stocks and level of educational attainment of East Europeans in Britain, in order to see how important their presence is within the current migration flows and on the local labour market.

2.2 Migration to Britain

The trends in international migration in Britain have changed substantially over the last 30 years. Whereas inflows to and outflows from Britain have both increased, the proportion of these flows compared with each other have changed. Between 1975 and 1982 more migrants left the country than arrived; between 1983 and 1993 the inflow and outflow was about the same; and since 1994 more migrants are entering Britain than leaving (see Figure 2). At the time of the 2001 UK Population Census, there were 4.9 million foreign-born people living in Britain (Rendall and Salt 2005), about 8.3% of the total population of 60 million. Recent estimates from *The Economist* (05/01/2008) and the UN (2006) put the current share of foreign-born as 9.1–9.7% of the British population.¹⁶

Figure 2: International migration flows in Britain (1975–2004), in thousands



Source: (Horsfield 2005:116)

¹⁶ The European average of foreign-born population in 2005 was 8.8% (in Western Europe it was 11.9%). The UK's share of foreign-born population as 9.1% of the total population is well below that of Australia (20.3%), Canada (18.9%), the USA (12.9%), Germany (12.3%) or France (10.7%) (UN 2006).

The share of foreign-born people within the total British labour force increased from 7.4% in 1997 to 12.5% in 2006 (*The Economist* 20/10/2007). The Home Office (2006) reports that foreign-born workers in Britain have on average ‘higher skills’ and command higher salaries than British-born workers. They contribute disproportionately to the economy by, for instance, generating 10% of the GDP while forming 8% of those in employment in 2001. Moreover, recent immigrants to Britain are on average more highly educated than those in the past (OECD 2007; Salt 2007).

It is hard to tell how many East Europeans arrived in Britain since 1989 or how many are still in the country. Despite the existence of numerous excellent studies and reports to the Home Office on migration to Britain, East Europeans are rarely discussed as a consistent category.¹⁷ Overall, the main trend is that the share of all Europeans within the total British foreign-born population is decreasing over time: whereas in 1971 51% of the foreign born were Europeans, at the time of the 2001 Census only 33% of the foreign born originated from Europe – about one-sixth of the number from ‘Eastern Europe’ (Rendall and Salt 2005:134); in 2004, the number of CEE citizens in Britain was 184,000 – 6.4% of all foreigners, and 6,1% of all foreign workers (Salt 2005b). At any rate, some reports conclude that the potential migrants from the new EU accession states represent a highly qualified future labour supply for the EU (Krieger 2004).

2.2.1 East Europeans in Britain

Compared to other immigrants, East Europeans do not represent a large segment of the British foreign-born population or labour force, neither in terms of numbers, nor in terms of proportions. Yet, in order to place the East–West human capital mobility within the larger context of migration to Britain, the number of people arriving from

¹⁷ East Europeans are often merged into the categories of ‘Remainder of Europe’ (that is, Europe without the EU, Horsfield 2005) or ‘Other Foreign’ (in the report of Dobson, Koser et al. 2001). Sometimes a category is called migrants arriving from ‘Eastern Europe’ but it contains data from Poland and Hungary only (Rendall and Salt 2005).

Eastern Europe needs to be known. In this section I give particular attention to Hungarian- and Romanian-born immigrants to Britain.

There are two macro-data sources on East Europeans in Britain: the Labour Force Survey (LFS, yearly data source for British labour market information) and the data from the Workers Registration Scheme (WRS, from 2004, on the A8 states¹⁸ only). Portes and French (2005) note that before the 2004 enlargement of the EU, there were about 145,000 A8 nationals in Britain, half of them of Polish origin and approximately 40% of pension age, reflecting post-war migration.¹⁹ Over half of all A8 nationals lived in London before the EU enlargement, and at least two-thirds of them were concentrated in London and the South-East. A8 working-age migrants made up just 2.5% of the total working-age migrant population, and 0.4% of the total British working-age population.

According to the 2001 UK Population Census, in 2001 there were 13,158 Hungarian-born and 7,633 Romanian-born in the country (and a total of 164,734 from Central and Eastern Europe). It is difficult to tell how many of them are university educated. One dataset only, the Labour Force Survey,²⁰ differentiates across educational levels and countries of birth of respondents, and so can draw a relatively informative picture of the possible flows and numbers of university-educated immigrants.

The data of the following paragraphs is derived from putting together the first waves of each LFS quarter between 1992 and 2004. Hence I constructed the analysed dataset

¹⁸ The A8 states are those eight East European countries which joined the EU in 2004 (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia).

¹⁹ Comparing the pre- and post-accession figures, Portes and French (2005) found that whereas the employment rate of A8 migrants before 2004 was significantly lower than that of British-born and other immigrants (mainly due to the retired East European population who came to Britain after WWII), since accession there has been a substantial and statistically significant increase in their employment rate, and it now stands at a higher level (77%) than that of British-born people (74%) and of other immigrants (68%) – without a compensating fall in the employment rate of British-born people. IPPR (2006) reports that Romanians' unemployment rate in Britain is less than 3%; 84% of Romanian-born immigrants work full-time (compared with 72% of Polish born immigrants); they are proportionally more highly represented at the top end of the working hours spectrum; and just under half of them work for more than 40 hours per week (compared with 33% of Polish born immigrants).

²⁰ The Labour Force Survey (LFS) is a longitudinal quarterly sample survey of households, running in its present form since 1992 and conducted by the Office for National Statistics. The LFS is conducted throughout the year. The LFS utilises a two-stage sampling procedure, based on the Postcode Address File; the first stage involves a stratified random sample of areas and the second stage a systematic unclustered sample of addresses with a random start and constant interval. Each sample address is called on five times (or in five waves) at quarterly intervals; hence there is an 80% overlap in the samples of each successive quarter. The full LFS coverage is of 57,000 private households and it contains only a small number of immigrants. Since the LFS sample is representative of the UK population, throughout the analysis I assume that there is no sampling bias towards the immigrant subpopulation.

from 49 sets²¹ of LFS data, with respondents aged over 18, residents in Britain. The LFS sample is representative of the British population; nevertheless, it should be noted that since only a share of the sampled population are immigrants, and only a small share of sampled immigrants were born in Hungary or Romania (see Table 4), the data may be affected by sampling error due to very small sample size. Keeping this in mind, my analysis of LSF data is based on the proportion of Hungarian- and Romanian-born immigrants in Britain within the total yearly samples.

Table 4: Hungarian- and Romanian-born British residents within LFS samples

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
HU	10	23	12	18	18	18	24	24	15	17	19	12	10
RO	0	5	5	7	4	4	5	6	11	12	21	7	18
Total	10	28	17	25	22	22	29	30	26	29	40	19	28

Source: Based on LFS data

Assuming no sampling bias towards Hungarian- and Romanian-born immigrants within the LFS sample between 1992 and 2004, and no significant changes in migration behaviour over this period, it is possible to model the yearly changes in Hungarian and Romanian migration stocks in Britain. A way of doing so is using logistic regression between a year (independent variable) and the probability of being Hungarian- and Romanian-born within the total sample (dependent variable).²²

I have found that over the thirteen-year period, the odds of being Hungarian- and Romanian-born within the sample increases by 4.1% yearly.²³ The increase is significant at 99% level, $p=0.007$ (95% confidence interval is 1.1% to 7.2%). This represents an increase of the Hungarian- and Romanian-born population in Britain of about 12,600 individuals (95% confidence interval is 2,881 to 26,302). In 2004, there

²¹ In order to avoid the overlap in the samples for successive quarters, I considered for analysis only the responses from the first wave (1 dataset/quarter); each year the interviews are carried out four times (4 datasets/year); the analysed time span is of twelve years (48 datasets/12 years + one dataset: the 1st quarter of 2004).

²² I am greatly indebted to Dr Wicher Bergsma from the Department of Statistics (LSE) for providing feedback on my various attempts to come up with correct estimates.

²³ For both Hungarians and Romanians, the calculated logistic regression equation is: $\text{logit}(\text{probability of being Hungarian- and Romanian-born within the total sample in a given year}) = -7.985 + 0.040 \times \text{year}$.

were about 33,000 Hungarian- and Romanian-born people living in Britain (95% confidence interval is 23,306 to 46,727).

There are different trends within the LFS sub-sample during this period if the two subgroups of Hungarians and Romanians are separated, however. In the case of the Hungarians, the change (i.e. decrease) in the likelihood of being Hungarian-born within the total sample is not significant ($p=0.589$).²⁴ This leads to the conclusion that the Hungarian-born may have a constant stock of around 17,000 within the British resident population (that inflows are counterbalanced by outflows of similar size). The 95% confidence interval is between 11,000 and 25,782.

These estimates suggest that there is a larger number of Hungarian-born people in Britain than published articles suggest. For instance, analysing the trends of the 1990s, Tóth (2002) reports that in 1991 there were about 2,000 Hungarian citizens registered in Britain; their number grew to 3,000 in 1994, and reached a peak of 3,200 in 1995. As Tables 5 and 7 show, a significant part of the difference may be explained by taking into account those who were born in Hungary, arrived in Britain around 1956 and became British citizens afterwards; these people are not registered in the statistics as Hungarian citizens; nevertheless, they are considered to be Hungarian-born.

Table 5: Citizenship, by country of birth

Country of birth Nationality	Hungary	Romania	Total
British	63.2 %	16.2 %	48.0 %
Other	36.8 %	83.8 %	53.0 %
<i>Total</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
LFS sample	220	105	325

Source: Based on LFS data

²⁴ For Hungarians, the logistic regression equation is: $\text{logit}(\text{probability of being Hungarian-born within the total sample in a given year}) = -8.064 - 0.010 \times \text{year}$. Nevertheless, $p > 0.05$.

Whereas the yearly changes reflected in the LFS in Hungarian immigrant stocks are statistically not significant, the Romanian ones are.²⁵ From 1992 to 2004, the odds of being Romanian-born within the sample increased yearly by 15.4%. The increase is significant at the 99% level; $p < 0.000$ (95% confidence interval is 10.3% to 23.5%). Based on this, over the thirteen years, it can be calculated that the Romanian-born population of Britain increased by about 15,000 (95% confidence interval is 6,307 to 33,136). Whereas during the 1990s only a few thousand Romanians were living in the country, Britain became more popular as a destination country for Romanian-born migrants from the very late 1990s and early 2000s onwards (see Table 6). In 2004, there were about 18,000 Romanians living in Britain (95% confidence interval is 9,170 to 35,999).

Table 6: Estimates of Romanian-born immigrant stock in Britain (1992–2004)

Year	Regression estimates	95% confidence interval	
		Lower bound	Upper bound
1992	2,864	2,864	2,864
1993	3,340	3,155	3,536
1994	3,896	3,477	4,367
1995	4,545	3,831	5,393
1996	5,302	4,221	6,659
1997	6,184	4,651	8,223
1998	7,214	5,124	10,155
1999	8,415	5,646	12,540
2000	9,815	6,221	15,485
2001	11,449	6,855	19,121
2002	13,355	7,553	23,611
2003	15,578	8,322	29,155
2004	18,170	9,170	35,999
Change 1992–2004	15,307	6,307	33,136

Source: Based on LFS data

According to the 2001 Census, in 2001 there were 7,633 Romanian-born people in Britain (which is still within the confidence interval of the LFS estimates, see Table 6, according to which there were around 11,449 Romanians in 2001 in Britain, with a 95% confidence interval between 6,855 and 19,121). Furthermore, an IPPR (2006) study notes that the Romanian-born population must have grown since 2001, since 41% of the

²⁵ For Romanians, the calculated logistic regression equation is: $\text{logit}(\text{probability of being Romanian-born within the total sample in a given year}) = -9.950 + 0.154 \times \text{year}$.

Romanian-born people arrived in Britain between 2000 and 2004. According to LFS data, 22% of Romanian-born immigrants arrived in this period (see Table 7).

Table 7: Arrivals to Britain by country of birth

Period	Hungary	Romania	Total
1935–1955	5.9 %	4.7 %	5.5 %
1956–1958	55.3 %	0.0 %	37.3 %
1959–1969	5.9 %	5.7 %	5.9 %
1970–1979	5.5 %	2.9 %	4.6 %
1980–1989	7.3 %	4.8 %	6.5 %
1990–1999	16.0 %	60.0 %	30.2 %
2000–2004	4.1 %	21.9 %	10.0 %
<i>Total</i>	<i>100.00 %</i>	<i>100.00%</i>	<i>100.00%</i>
LFS sample	N=219	N=105	N=324

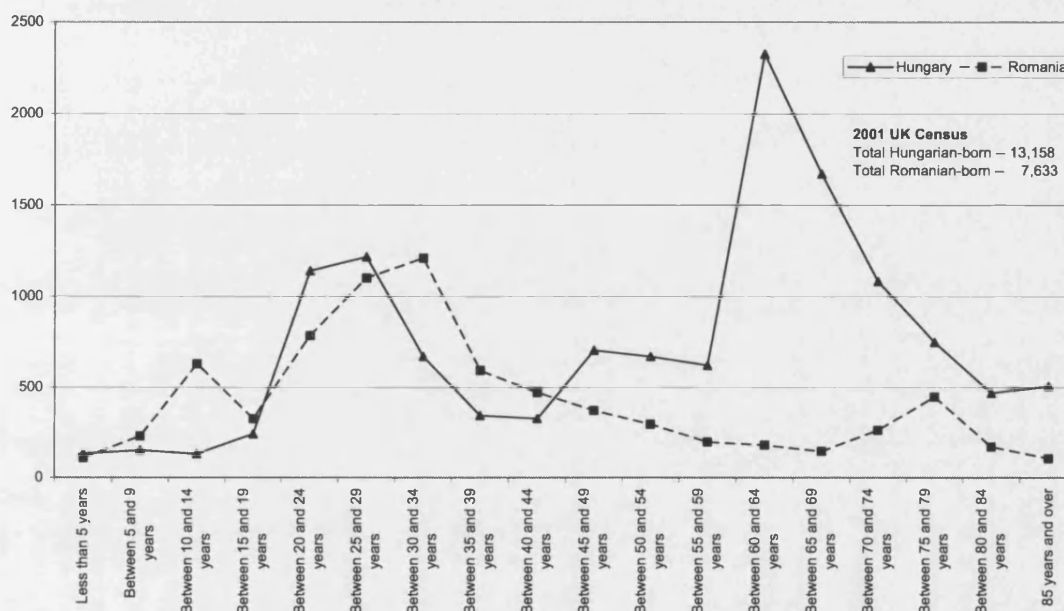
Source: Based on LFS data

Overall, based on these estimates, in 2004 the Hungarian-born population in Britain could have been around 17,000 (95% confidence interval is 11,000 to 25,782), the Romanian-born around 18,000 individuals (95% confidence interval is 9,170 to 35,999). Taking into account the increased circular migration patterns that have occurred since the EU enlargements in 2004 and 2007, these figures are probably higher in 2008.

With one outstanding exception, arrivals from Hungary and Romania in Britain during the communist times were insignificant (see Table 7). A large number of Hungarians arrived in Britain following the 1956 revolution. The 1956–57 refugees outnumbered all Hungarian immigration flows of the past fifty years. Therefore, the majority of Hungarians living in Britain arrived either around 1956 (the ‘old generation’) or from the mid-1990s onwards, especially after the 2004 enlargement of the EU (the ‘young generation’). The Romanian flows to Britain are relatively new. Before 1990 only a negligible number of Romanian-born were in Britain. Since the fall of the communism, arrivals from Romania have increased; more than 80% of Romanians currently living in Britain arrived in the country after 1990. Overall, the majority of Romanians living in Britain arrived in or after 1990, with LFS accounting for a peak arrival year in 1999, slightly decreasing in the early 2000s and steadily increasing afterwards.

Largely as a result of their more established communities, Hungarians are on average older than Romanians (the LFS data shows that 57% of Romanian-born but only 23% of the Hungarian-born British residents are aged between 25 and 44). This is reflected also in the census data. Whereas the majority of Romanian-born were in their late twenties or early thirties, the Hungarian-born population can be clearly delimited into a 'young' (in their twenties) or 'old' (in their sixties) generation, similar to the population of Polish origin, representing both recent and post-war migration.

Figure 3: Age distribution of Hungarian- and Romanian born people in Britain, 2001



Source: Data based on the UK Population Census 2001

2.2.2 Regions of settlement

Immigrants' geographical distribution in Britain appears to be very uneven: about 60% of all working age immigrants are concentrated in London and South-East England, against 29% of the British-born population (Dustmann, Fabbri et al. 2003:55). During

the 1990s London has become a prime European destination for migrants of all European nationalities (Dobson, Koser et al. 2001), including East Europeans, making the intra-EU flows to London similar to an ‘invisible invasion’ (Favell 2006b).

According to LFS data, two-thirds of all Hungarians and Romanians in Britain are residing in and around London: 45% in Greater London and 18% in Rest of South-East (see Table 8). A higher proportion of Hungarians are dispersed across Britain, possibly due to their longer presence in the country; Romanians are clustered in Greater London and the Rest of South-East, popular destinations for all new immigrants arriving in Britain.²⁶

Table 8: Region of usual residence of Hungarians and Romanians in Britain

	Hungary	Romania	Total HU & RO
1. Inner London	15.6%	24.6%	18.7%
2. Outer London	20.7%	37.0%	26.3%
Greater London	36.3%	61.6%	45%
3. Rest of South-East	17.6%	17.9%	17.7%
South-East England	43.9%	79.5%	62.7%
4. All the other regions	46.1%	20.5%	37.3%
<i>Total</i>	<i>100.00%</i>	<i>100.00%</i>	<i>100.00%</i>

Source: Based on LFS data

Continuing with the estimation from the LFS figures, in 2004 before the EU enlargement there could have been about 6,200 Hungarians (36.3% of 17,000) and 11,000 Romanians (61.6% of 18,000) living in Greater London.

2.2.3 Highly qualified from Eastern Europe

Britain is experiencing an increase in skilled migration and a decline in semi-skilled and unskilled migration. The share of skilled people among total immigrant arrivals increased from 7% in 1991 to 32% in 2001, and the percentage of professionals, managers and employers among the foreign nationals is higher than among natives (*The*

²⁶ Data from the WRS accounts that since the 2004 accession, London – although remaining a disproportionately popular location – attracted less than 25% of all A8 nationals. Working age A8 migrants are found half as likely to live in London as other immigrants, and have gone to work in other parts of Britain which previously attracted very few immigrants.

Economist 07/10/2006). Foreigners are generally over-represented at both the highest and lowest levels of education. In 2002, 41.9% of foreigners aged 25–44 in Britain compared with 28.5% of British nationals of the same age had tertiary education (OECD 2003:54). Moreover, in 2005, 40% of foreign-born men and 45% of foreign-born women in Britain had studied at an institution of higher education, compared with 27% of native-born men and 34% of native-born women (OECD 2007). The more recent a migrant's arrival, the higher that migrant's education level will be. Nearly 56% of foreigners who were settled in Britain in 2002 held a university degree (share two times greater than the proportion of university graduates among British nationals, partly explainable though with the difference in the age structure of the two populations).

Over half of the foreign-born immigrants who arrived in Britain in 2001 were employed as professionals and managers, compared with 38% of the total-foreign-born population (Rendall and Salt 2005:145-146). Although this may be partly due to a shift over time towards more skill-selective immigration policies, Randall and Salt explain this phenomenon as being the result of a faster turnover among the highly skilled: higher proportions of highly skilled are more visible in the flows than in the stocks of Britain-born population (56.5% and 36.5% respectively, in 2001). Nevertheless, there is no detailed data available on these flows, especially on the movers' country of origin.

According to LFS data, less than a quarter of all Hungarian- and Romanian-born British residents have a university degree or higher level of education: 26.2% of all Hungarians, 17.8% of all Romanians (see Table 9). This is below the average ratio of university educated among the foreign-born in Britain; for Hungarians the ratio is roughly equal, but for Romanians it is below the tertiary-educated ratio among British nationals. Having in mind, however, that about 20% of Hungary's and 12% of Romania's active population is currently university educated (compared with about 30% in Britain), assuming that they were educated in their countries of birth, the larger share of tertiary educated within the immigrant community provides additional evidence that Britain may attract the well-educated East Europeans.

Table 9: Share of tertiary-educated Hungarians and Romanians in Britain, in London and in their home countries

Hungarian-born	Britain^a	London^a	Hungary^b
1. Postgraduate degree, of which:	9.2%	11.1%	:
Doctorate	3.4%	2.6%	:
Master's degree or equiv.	5.8%	8.5%	:
2. Undergraduate degree	14.7%	14.7%	:
3. Other tertiary degree	2.3%	2.5%	:
Total share of tertiary educated	26.2%	28.3%	20%

Romanian-born	Britain^a	London^a	Romania^b
1. Postgraduate degree, of which:	4.9%	6.4%	:
Doctorate	3.2%	3.5%	:
Master's degree or equiv.	1.7%	2.9%	:
2. Undergraduate degree	12.9%	12.8%	:
3. Other tertiary degree	0.0%	0.0%	:
Total share of tertiary educated	17.8%	19.2%	12%

Source: a LFS data b (UIS 2007)

About two-thirds of all highly educated Hungarians and Romanians living in Britain have an undergraduate degree; the remaining one-third also holds a postgraduate degree. The tertiary-educated Hungarian and Romanians are clustered in London and the South-East: 47% live in Inner and Outer London, 28% in Rest of South-East. Nearly three-quarters (74%) of all tertiary-educated Hungarians and more than three-quarters (78%) of all tertiary-educated Romanians live in these three regions. London attracts the well-educated Hungarians and Romanians: out of all Hungarians and Romanians living in Inner and Outer London, 28.3% and 19.2% respectively have a university degree. The share of undergraduates to postgraduates is two to one. Nevertheless, in London the share of postgraduate Hungarian- and Romanian-born is somewhat higher than the same ratio in Britain overall, showing that London has a greater propensity to attract individuals with higher human capital.

It is interesting to note that, based on LFS data, Hungarians or Romanians who arrived in Britain before the early 1990s were most likely to have acquired their highest degrees before emigrating, that is, most probably at home. Nevertheless, from the mid-1990s and significantly from the early 2000s Hungarian and Romanian migrants were much more likely to have obtained their highest degrees in Britain; moreover, Romanian-born

were significantly more likely to graduate from a British educational institution than were the Hungarian-born.²⁷ As I will show in Chapter 3, this also holds for my interviewees, in 2005 more than one third of them had British degrees. In the thesis I will explain whether this indicates that there is a growing number or share of Hungarian- and Romanian-born students staying on in Britain for work (Chapter 5), or whether being educated in Britain is a way of entering the British labour market or overcoming its glass ceilings (Chapter 6). Also, given that two thirds of my interviewees were educated at home (or a few in a different country than Britain), in Chapters 6 and 7 I also address the related problem of qualification recognition.

At any rate, continuing further with the estimates based on LFS data (see Table 10), if before the 2004 EU enlargement there were approximately 6,200 Hungarians and 11,000 Romanians living in London, then out of these people roughly 1,800 Hungarians (28.3% of 6,200) and 2,100 Romanians (19.2% of 11,000) were tertiary educated.

Table 10: Estimates of Hungarian- and Romanian-born in Britain and London, 2004

	Hungarian-born		Romanian-born	
Britain				
Total stocks in Britain	17,000		18,000	
95% confidence interval	11,000	25,782	9,170	35,999
Tertiary educated in Britain	4,500		3,200	
95% confidence interval	2,882	6,755	1,632	6,408
London				
Total stocks in London	6,200		11,000	
95% confidence interval	3,993	9,359	5,649	22,175
Tertiary educated in London	1,800		2,100	
95% confidence interval	1,130	2,649	1,085	4,258

Overall, this section showed that compared to other immigrants to Britain, East Europeans' presence within the British population was between 1990–2004 relatively insignificant. In 2004, the Hungarian-born population in Britain counted about 17,000 individuals, split between the 'old' and 'young' generations, living relatively dispersed around the country. The Romanian-born population has increased during the 1990s, reaching a community of about 18,000 in 2004; it is concentrated around London and

²⁷ In the words of Gent and Skeldon (2006), the former are 'designer emigrant' nationals trained at home to overseas standards; the latter are 'designer immigrant' foreign nationals trained in destination markets.

South-East England. For both groups, the concentration of the university educated is higher in London than in the rest of the country, highlighting the attractiveness of the capital city for those with higher level of human capital.

2.3 Summary and discussion

In this chapter I sought to quantify the number of individuals (especially professionals and graduates) who are engaging in East–West mobility. Despite the poor migration statistics and the large discrepancies between official and estimated migration data, some similarities and differences can be observed between the overall and the ‘highly skilled’ migration flows; three major findings stand out, which reveal some contextual information necessary for such an exploratory study as the current thesis.

First, the university educated respond in similar ways as the rest of the population to the socio-economic changes around them, with more people choosing emigration in periods of economic or social hardship. The rapid societal change in the transition from a planned to a market economy and from a socialist to a democratic political system in Eastern Europe also affected the countries’ migration system, with a sharp increase in out-migration in the post-1989 years (‘compensation migration’ as Sandu 2005 calls the sudden post-1989 increase in migration flows as response to the restricted, state-controlled migration during communist era), leading to the emergence of a strong culture of migration in Eastern Europe. Nevertheless, in relative terms, the university educated were more prone to engage in mobility than the rest of the population. Just as across the world (see e.g. Portes and Rumbaut 1996), education proved to be self-selecting for migration in Eastern Europe as well. While there is conflicting evidence for ‘brain drain’ from Eastern Europe, there is evidence to suggest that university-educated Romanians have a higher propensity to migrate than their less-educated co-nationals; that temporary migration from Romania is positively selective for those who possess higher human and social capital; and that in Hungary education and a general inclination to migrate are strongly correlated.

Second, the university educated chose different destinations than the rest of the population. Whereas for Romanian temporary migrants Hungary and Germany (and

more recently Italy and Spain) and for Hungarians Austria and Germany were the traditional destination countries, initially formed around ethnically defined networks, Romanian and Hungarian university-educated migrants were more attracted to less popular destinations such as North America or Britain. Currently Britain is the most popular European destination for highly educated permanent emigrants from both Romania (Radu 2003) and Hungary (Rédei 2002). Overall, while Britain can be considered a 'new' destination country for Romanians, mainly discovered by the university-educated migrant 'pioneers' of the early 1990s, this does not hold for Hungarians for whom Britain can be considered more of a 'traditional' destination country because of the earlier wave of migration to the country during the 1950s.

The presence of Hungarian and Romanian professionals and graduates on the labour market of London and Britain is not significant from the host country's perspective, however. Hungarians and Romanians account for less than 0.4% of the active labour force in Britain; the share of the highly educated is even smaller. They have a small, educationally and socio-economically diverse population in Britain, living mainly in Greater London and South-East England. Hungarians and Romanians are better educated than the average immigrant to Britain: 26.2% of all Hungarians and 17.8% of all Romanians in Britain have at least a university degree. They reside in areas where immigrant concentration is high: one-third of Hungarian and two-thirds of Romanians live in Greater London. Hungarians and Romanians living in London are on average better educated than the rest of their ethnic community: 28.3% of all Hungarians in London and 19.2% of all Romanians in London are university graduates. Keeping in mind the share of the university educated within the Hungarian and Romanian active labour force (20% and 12%, respectively), it can be claimed that Britain is not only more attractive but also positively selects the tertiary educated from both countries. This is truer for Greater London, which has a higher concentration of university-educated Hungarians and Romanians than elsewhere in Britain. In absolute terms, based on LFS estimates, by the end of 2004 (at the time of my research) there could have been around 1,800 Hungarian-born and 2,100 Romanian-born, tertiary-educated individuals living in Greater London (95% confidence interval is 1,130 to 2,649 for Hungarians; 1,085 to 4,258 for Romanians).

To conclude, this chapter showed that despite the statistically 'invisible' stocks of Hungarian- and Romanian-born within the British population, Britain continues to

attract highly educated Hungarians and Romanians (and London attracts the most highly educated of all these migrants). Yet, beyond the fact that they are relatively few, may have above average employment rates or may sometimes be under-employed, little is known about the kinds of jobs the growing population of Hungarian and Romanian professionals and graduates obtain in London, let alone about their reasons for looking for a job abroad, their job-seeking practices, or the institutions which facilitate their incorporation into the labour market of London. The thesis aims to fill in these gaps.

3. Research context and methods of research

No research has been done yet, to my knowledge, on Hungarian and Romanian professionals and graduates who work in London. Whilst there are few and growing number of academic and policy papers on East European migration to the UK (e.g., Anderson, Ruhs et al. 2006; Garapich 2006; IPPR 2006), they hardly address the case of people with high human capital. One exception is the article of Ackers (2005) who focuses nevertheless on academic mobility only. For these reasons my study aims to deliver first insights into the area of East-West professional and graduate mobility, and stimulate further investigations.

In this chapter I address first the main characteristics of the chosen location of my study, London. Then, I will present the design of my exploratory research, presenting the arguments of methodological triangulation and outlining in turn the three sources of data I use (secondary data analysis, online survey, semi-structured interviews). I also describe the process of data collection and analysis, reflecting on the reliability, validity and ethical considerations of my study. Finally, I describe the main features of my research subjects.

3.1 The case study: London

The chosen location of my research is London, the most diverse European city, as measured by the percentage (28%) of foreign born (UNDP 2004). It is a far more important destination for the non-British than for the British (Dobson, Koser et al. 2001:xviii); it is the 'global marketplace for skilled migrant workers' (Beaverstock and Smith 1996); and it shows how the global marketplace can operate at sub-national level, especially from an economic, but also from a political or cultural perspective, attracting above average rates of professionals from all over the world. This makes London an ideal location for the study of professional and graduate mobility.

I have chosen London as the case study of my research for a number of reasons. First, London exemplifies, together with New York, the ultimate global city. Although there are more financial hubs around the world, only these two cities can claim to be truly global: both cities have plenty of skilled people and their talent pool is deep and multinational; they have ready access to capital, good infrastructure (including plentiful international air links and strong telecommunication networks), attractive regulatory and tax environments, and low levels of corruption. Moreover, they have advantages of location and the use of English, the language of global finance, and they also offer attractive cosmopolitan lifestyles. Furthermore, London also scores highly on all four standardised functional rankings¹ of major cities (see Beaverstock, Smith et al. 1999; Hall 2001): the location preferences and roles of multinational companies in the developed world; the power of these companies and the decision-making corporate activities in the context of the new spatial international division of labour; the internationalisation, concentration and intensity of producer services in the world economy; and the rankings of international financial centres.²

Second, London is the financial capital of Europe, and it is a leading city in economic, cultural and social globalisation. Its rise as a global service centre has been largely attributed to Britain's regulatory and legislative framework that turned the economic and social changes of the last fifty years to London's advantage (Pain 2006).³ According to Taylor (2005), London dominates in both size and connectivity the advanced producer services. It leads the accountancy, insurance, banking and finance,

¹ The ranking of cities can follow a demographic or a functional tradition. The former is interested in the size of the cities (*mega-cities*) and explores the human and ecological impacts of population concentration. The latter considers cities (*world or global cities*) as part of a larger system, embedded within current globalisation processes (Beaverstock et al. 1999).

² Relying on the last two criteria, Beaverstock et al. (1999) attempted to categorise the major cities of the world and worked out a 'roster' of the world cities. They made an inventory of city-presence of advanced producer services (major accountancy, advertising, banking and finance, and legal service firms) and classified the analysed settlements into alpha (or full service), beta (or major service), and gamma (minor service) world cities. London, next to New York, Paris and Tokyo, was categorised as an alpha world city. Later Taylor (2005) re-defined and re-categorised the major cities of the world as *global cities* (well-rounded global cities and global niche cities) and *world cities* (subnet articulator cities and worldwide leading cities). London kept its primary position, shared with New York, in both size and connectivity as a well-rounded global city that makes a very large contribution to (uneven) economic globalisation.

³ In a special report *The Economist* (03/02/2007) concluded that from the beginning of the 1990s Britain has been riding the current wave of globalisation successfully: steady economic growth pushed its GDP per head above that of France and Germany; its unemployment rate is the second-lowest in the EU (around 5%); and inflation has been at a modest 2%. The British labour market is also healthy by historic and international standards: it has recently been remarkably stable, with continually rising employment levels, currently at 72%.

and legal services, and is second after New York in advertising and management consultancy. London is also the leading city in cultural globalisation, being first in both media and architecture. It does not have a leading position in political globalisation, despite the important number of national diplomatic missions; nevertheless it is a top world centre for NGOs and scientific research collaborations leading to social globalisation. Overall, the outcome of increasing globalisation and profound policy changes of the last thirty years in the country, Britain's economy in its present state is one of the most open among the big and economically powerful states, representing a strong pull for business and people (or at least, this was the case until the economic downturn from mid-2008 onwards).

Third, London currently attracts talent from around the world: half of all London jobs are in professional and business services.⁴ Sassen (2001b) notes that the sharp growth during the 1990s in the concentration of mostly young, new high-income professionals and managers employed in central London represents a significant change from the 1980s. London currently is popular with experienced professionals and top managers, as well as young graduates whose advancement and promotion lines lead to high-paying jobs over a fairly short period of time. Savage et al. (1995) considered London as part of South-East England's 'escalator region'. They found that London and South-East England attract migrant individuals (typically from within the region and from abroad, rather than from other parts of Britain) who want to quicken the process of their economic and social advancement. These 'spiralists [...] gamble with dramatic spatial mobility in their education and career abroad to improve social mobility opportunities otherwise blocked at home' (Favell, Feldblum et al. 2006). Instead of waiting to join the occupational and social hierarchy at home, spiralists prefer to move to 'escalator regions' and switch countries, occupations, sectors or even companies in order to move back or move further later to a higher occupational position, which often goes with higher social status and prestige, as well as higher social class position. Spiralists are therefore, with Handy's (1989) term, portfolio workers who build their portfolio careers through a number of related jobs with different employers, often in 'escalator regions' of various countries.

⁴ For instance, in Britain there are over 400,000 professionals employed in IT and over 1 million professionals employed in financial and business services, mainly in the internationally minded private sector, and particularly in London and South East England (IES 2002:8)

In fact, ‘escalator regions’ have a distinctive role in processes of middle-class formation. For instance, the ‘escalator region’ of South-East England ‘firstly, attracts a large number of young potential recruits to middle-class work from [the] education system; secondly, it promotes these young in-migrants together with its own young people at accelerated rates into positions of responsibility based on qualifications and experience. Thirdly, it sends out a significant number of the now established middle classes into other regions as their careers mature [...] and this high level of turnover explains the distinct “cosmopolitan” nature of London [...] where the middle-class “cosmopolitan” standing in opposition to the working-class “local” still has a great deal of currency’ (Savage, Barlow et al. 1995:182-185).

Forth, London is a high wage area and immigrants, independently of their skill level, tend to settle in jobs that are known to pay positive wages over a given period (Dustmann, Fabbri et al. 2003).⁵ Just to illustrate this, the average salaries for men in the City rose by 21% in 2005 (*The Economist* 07/11/2006). The rise is even more impressive given that salaries in the private sector as a whole increased by just 4.5%. But the rise was not that impressive for women: whereas the City’s 134,000 male workers saw their average earnings reach £104,622 (including bonuses), the equivalent figure for women was £51,008, a rise of just 2%. Whereas these salaries are not representative for all London-employed,⁶ they do illustrate that professionals’ salaries in London are higher than the UK average (£22,000) and usually above the national wage averages of immigrants’ home countries. Moreover, Thrift and Williams (1987) found that university graduates frequently enjoyed a highly accelerated rate of salary growth in London than anywhere else.

Finally, a fifth reason for choosing London as my case study is particularly related to my research subjects. On the one hand, as shown above, London is a traditional destination for all professionals and graduates around the world (i.e. why should East European professionals and graduates be different?); yet, in migratory terms, London is not a traditional destination for the East Europeans (i.e. why are these particular East Europeans different?). In my research I aim to understand the characteristics of and the

⁵ Dustmann, Fabbri et al. (2003) explain this in two possible scenarios: immigrants enhance the stock of economic entrepreneurship in localities where they settle, immigration being by its nature an action showing economic initiative; or, immigrants may work in occupations that are complementary to the labour of the existing population.

⁶ Sassen (2001b:272) quotes the Corporation of London figures for 1999: the average gross weekly earnings of City workers were 78% above the UK average and 37% above the London average.

diversity among the studied professionals and graduates who arrive to London. I seek to understand to what extent their professional identity overwrites their migrant identity.

3.2 Research design

My research is an exploratory case study of East European professionals and graduates in London. Exploratory studies are suitable when no previous research has been done in a certain area; they are particularly useful when the researcher aims to understand the context and the main characteristics of the social phenomena or human behaviours representing his/her research interests (in my case, the social process of East-West professional mobility within Europe). In exploratory studies the research begins with data collection rather than a particular theory; the data is then used to develop a theory. Exploratory studies are generally used for hypothesis formation and theory building.

An ideal method of conducting exploratory studies is through gathering qualitative data (typically semi-structured interviews) to deliver a 'thick description' of the phenomenon and concentrate on the distinctive features of situations, events or experiences (Geertz 2000). However, qualitative data fail to provide quantifiable information on the trends in mobility flows and the migrant community as a whole. To gain understanding on the background characteristics of the research subjects as members of a distinct community, it is also crucial to conduct surveys and carry out a secondary analysis of macro-level data. Last but not least, as the current research is carried out by only one person, the time- and cost-efficiency of the chosen methods were also important.

The interdisciplinary demands of migration research command the combined use of different methods that enable research to be carried out on all dimensions of migration, and that balance the research on global structural trends and the reassertion of agency and context at an individual level (see also Favell, Feldblum et al. 2006). Moreover, the successful application of multi-method research techniques in exploratory migration research, the need to identify credible causal mechanisms in social phenomena, the strengths and weaknesses of various quantitative and qualitative research methods, as

well as my research interests led me to the decision that the triangulation of applied research methods would generate the best insights for my study.⁷ Multi-method techniques avoid many of the disadvantages of the one-method design: no one procedure and method can provide a complete analysis of the studied phenomenon.

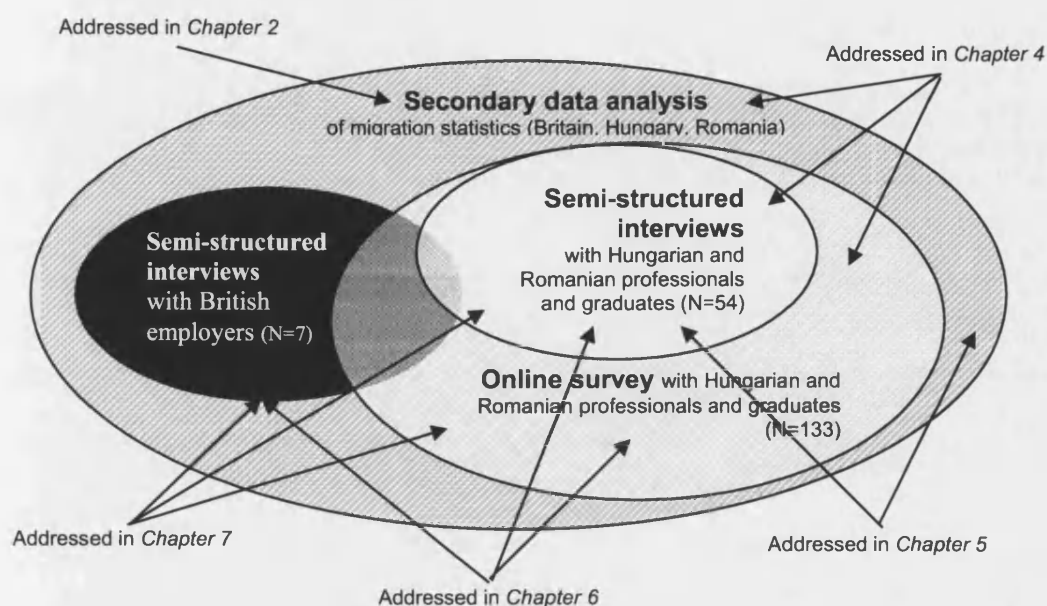
Measuring the same phenomenon from different angles, with distinct methods, is called 'between-method triangulation' (Arksey and Knight 1999) and its rationale is that cumulatively the weaknesses of one research method are offset by the strengths of the others. Triangulation can reinforce, contradict and supplement data; therefore, it serves two main purposes (Denzin and Lincoln 2003): confirmation and completeness. By collecting various sets of data with different methods, the chances of making errors or drawing inappropriate conclusions are reduced.

3.2.1 Methodological triangulation

The three methods with which I collected data for my research are (1) an online survey with Hungarian and Romanian professionals or graduates working and living in London, (2) semi-structured interviews with some of the survey respondents and with London-based employers of East European professional and graduate migrants, and (3) secondary data analysis of migration and mobility, educational and labour market indicators in Eastern Europe and Britain. The unit of analysis for my research is the individual migrant, embedded in various social structures and relations.

⁷ Scholars often combine various survey techniques with semi-structured interviews in the second phase of the research: surveys provide useful and quantifiable background data on migrants' demographic, economic and social characteristics. Semi-structured interviews help in the understanding of interactions and possible relationships between cause and outcome, across an individual's life. Beaverstock and Smith (1996), for instance, combined postal questionnaire survey with semi-structured interviews to collect data on the characteristics and geographies of international skilled labour migration as well as the participating financial institutions' employment policies on intra-company transfers. Similarly, Findlay, Li et al. (1996) used the same combined technique to research expatriates in Hong Kong, and Anderson, Ruhs and et al. (2006) to research low-skilled workers' employment from Central and Eastern Europe in Britain.

Figure 4: Diagram of methods used in my research



I consider the triangulation necessary for a number of reasons. Multi-method approach is particularly suitable for exploratory studies, since it allows the investigation of the phenomena from different perspectives. Furthermore, the macro-level data is necessary since it sets the background for the study and establishes the scale of the phenomenon, but the micro-level approach allows the in-depth examination, from an individual perspective, of the labour market practices that Hungarian and Romanian professionals and graduates and London-based employers may pursue. I elaborate on the reasons for choosing each method of data collection in turn as follows.

Online survey

The online survey was useful to explore the field and to gather descriptive background information about Hungarian and Romanian professionals and graduates from London, gaining more information by accessing a larger number of people than it would have been possible only from semi-structured interviews. Beyond the methodological argument, starting my fieldwork with the online survey had also a pragmatic reason: to make contact with Hungarian and Romanian professionals and graduates in a city of 7.5

million people, on a small budget, and without using snowball sampling.⁸ It proved to be a great tool to get easily in touch with my research subjects, without having to rely on my or my interviewees' social networks. Further advantages of online surveys are their global reach, flexibility and convenience of completion; the ease of data entry and analysis, low administration costs, ease of follow-up in cases of non-response, or less missing data because of the possibility to include requirements of forced response for few essential questions (Topp and Pawlowski 2002; Evans and Mathur 2005).

Yet, the biggest problem with surveying migrants is sampling. A good sample should represent the population variability adequately, so that the findings deriving from it can be generalised to the given population; nevertheless, immigrants cannot be enumerated in a single register that could be taken as sampling frame. Moreover, as mentioned earlier, professionals and graduates are often statistically and socially invisible at destination. They represent a 'hidden population' (Heckathorn 1997) within which the possibilities of contacting potential research subjects are very limited. Other disadvantages of online surveys are the inclusion of possible bias deriving from low internet penetration in an area, and the low response-rates (Selwyn and Robson 1998; Kenyon and Hawker 1999). Furthermore, response rates are not only low, but also often incalculable since it is not clear how many individuals could have responded but did not (Hoyle, Harris et al. 2002); also, there may be bias because respondents self-select. Although I do not consider the possible bias deriving from low internet-penetration to be a problem, given the high rates of broadband connections in London⁹, especially among professionals and graduates, I acknowledge that self-selection by respondents could have biased the study towards the 'migrant success stories'.

Semi-structured interviews

I have been conducting semi-structured interviews to go beyond the descriptive statistics derived from the survey and to obtain information about the labour market

⁸ One of the original aims of the research had been to map migrant networks (if there are any). If snowball sampling had been used, the possibility of finding migrant networks would have been almost guaranteed. The research would have been biased, however.

⁹ The UK has one of the highest internet penetration rates in Europe, with around 60% of UK households having access to the internet in 2005. The internet penetration rate is highest in London, especially among middle-class households (Eurostat 2007).

practices and experiences of migrants and their employers: on the one hand, I interviewed Hungarian and Romanian professionals and graduates who work in London (the 'supply side'); on the other hand, I have talked to employers, HR consultants or administrators of London-based organisations who are likely to employ East European professionals and graduates (the 'demand side').

The main advantage of semi-structured interviews is that due to their loose structure, they permit collected data to be compared while exploring in-depth individual meanings and understandings of the process and experience of migrants (Silverman 2006). The open questions of semi-structured interviews also allow further questions to be asked or interviewees to be prompted; by and large, they allow an interviewer considerable liberty to conduct the interview, customised to the interviewees' life course.¹⁰ Being interested in how Hungarian and Romanian individuals with high human capital go about and deal with various social institutions and structures they encounter in their home and host countries in their pursuit of being employed in London, semi-structured interviews were the only way I could address the social process of mobility and individual job-seeking practices in a substantial way.

First, I was emphasising the biographical line of the interviews in order to be able to examine the individual migration histories embedded in the general economic and social environment (Boyle, Halfacree et al. 1998). Interviews with professionals and graduates were structured around some broad topics: their education and work history, ways of migrating to London, employment in London and ways of obtaining it, the role of the ethnic community, friends, family within their social life in London, and future migration plans. Such migrant life histories delivered a better understanding about why certain things happened as they did, which events are interrelated, or how interviewees' perception changed over time. During the semi-structured interviewing, interviewees had

¹⁰ Semi-structured interviewing is the most widely used method in migration research since it can go beyond the confusing and often incomparable macro-level statistics, and focus on the individual. Beaverstock (2002), for example, used semi-structured interviews to investigate the production of transnational migrant elite knowledge networks in Singapore's financial district, conducting interviews on the migrants' occupations and career paths, their ways of knowledge transfer or accumulation, their work and social networks, the everyday expatriate experiences, ways of household formation and expatriates' place of residence. Hanlon (1997) also used semi-structured interviews with Irish accountants to research on their views on emigration and Ireland's participation in the international professional labour market. So did also Zulauf (2001) with women professionals in health and finance sectors in order to research on the social process of the recognition of their foreign credentials.

the chance to develop their narratives and arguments, and they may have found it easier to structure and share their personal histories in the sequence as the events have occurred.

Second, semi-structured interviews with employers enabled me to research ‘the other side’ of the labour market in London: how East-European credentials are evaluated and recognised by employers; into what positions they are likely to recruit East Europeans; whether migration regulations influence employers’ recruitment practices; and what employers’ perceptions and stereotypes about East European professionals and graduates are.

The great strength of any qualitative research is that it not only generates thorough (rather than representative) data, but it also leaves room for the unexpected. Therefore, semi-structured interviews allowed me to explore a research area on which I had little or no prior knowledge, enabling thus the understanding of the broader social phenomenon of East–West migration and mobility.

Statistics and other secondary data

The online survey data and the information derived from the semi-structured interviews made more sense when put in the economic and social context as well as linked with other events of the social world. I have relied on various statistics and other secondary data to create the link between my case study and the broader social world. Since professional and graduate migration is strongly linked with the situation of the labour markets, with the economic development and educational policies of the home, host and competing third countries, I believe that the study of the phenomenon is understandable only if its context is understood. This is why my research not only draws on data collected from primary sources, but also analyses the development of the economy and society in Eastern Europe.

Overall, the methodological triangulation helped me to collect complete and thorough data on how the process of professional and graduate mobility from Hungary and Romania is socially organised and how these individuals incorporate into the labour market of London.

3.2.2 *The process of data collection and analysis*

The primary data on Hungarian and Romanian professionals and graduates in London was collected between January and June 2005, and on London-based employers in June and July 2006. The research started with the online survey; then interviewees were recruited among those who responded to the online questionnaire. In both cases, business, career or academic migrants¹¹ (but not postgraduate students) were eligible as research participants, if they had been born and had completed their undergraduate education either in Hungary or in Romania.¹² I only included as research participants immigrants who had arrived in London after 1989. Before the fall of the Iron Curtain travelling or taking up employment in Western Europe was restricted in both sending countries; since in my thesis I aim to research the relatively unrestricted movement of a range of professions from Eastern to Western Europe, I have chosen to study only those individuals who arrived to Britain since 1989.

The first problem I encountered was the recruitment of the research subjects; that is, how to find Hungarians and Romanians with a university degree in London. Theoretically I had two options: either to find Hungarians and Romanians among the tertiary educated in London, or to find tertiary-educated persons among the Hungarians and Romanians in London. The latter seemed to be easier to accomplish, so I sent invitations to participate in the online survey to all ethnic institutions, associations, 'ethnic hubs'¹³ as well as Hungarian and Romanian personal contacts in London asking

¹¹ The thesis focuses on migration and mobility that leads to foreign employment, that is, on those professionals and graduates who work – either full- or part-time – in London. Therefore I am not dealing with asylum seekers or refugees, even if they can be considered part of international labour migration flows, and occasionally might have tertiary education.

¹² Two out of 54 respondents – despite living the most of their lives in Hungary or Romania – were obtaining their first degree from an international or UK university, but I did not exclude them from the study.

¹³ Hungarian newsgroups (*Pubszerda*, *Magyarkocsma*, *Londoni Magyarok* at Yahoogroups; since my research a new group has started, the *Magyarvándor* at Yahoogroups) and Romanian newsgroups (*Romanians* at Smartgroups; a link to the survey was kept for almost two months on the website www.romani.co.uk, an information portal for Romanians living in the UK). Hungarian institutions, associations (the Embassy and the Cultural Centre did not forward the link to the survey because of their data protection policy, but staff there were very helpful with suggesting contact persons); Romanian institutions, associations (Cultural Institute of the Embassy forwarded the link to the members of its newsletter, as did the Romanian Business Club; the Romanian Cultural Centre was very helpful in

them to forward the survey invitation to their members' lists. My aim was to reach as many Hungarians and Romanians in London as possible. Of course, not all members of the contacted 'ethnic hubs' are tertiary educated, and one should not assume – even if I tried to reach as many of the target population as possible – that all Hungarians and Romanians with a university degree subscribe to ethnic newsgroups or ethnic associations' distribution lists. However, as I could not estimate the proportion of over- as well as non-inclusion, the only solution was to believe that these two numbers compensate each other.

Before starting the research, I pre-tested the online questionnaire twice. Based on these pilot tests, I shortened it so much that it could be completed in no more than 10–15 minutes, since I wanted to grab the attention of time-conscious professionals (see text of questionnaire in Appendix IV).¹⁴ I did not offer any incentives to complete the online survey. The questionnaire was constructed around five big themes, each of them on a different page: coming to London, contacts in London, employment in London, education and training, and demographic profile. The order of the questions, altogether 46, was pre-defined; the respondents could not scroll up and down the questionnaire, they saw only the page that they could fill in. Some questions were marked with a red asterisk (*), which meant that they were compulsory.

Between mid-January and mid-April 2005, the period during which the online survey was running, 147 persons responded to the questionnaire. Of these responses, 102 were complete and 45 were incomplete. After checking each IP address of the respondents individually in order to increase the validity of the study, 133 responses remained for analysis (102 complete and 31 incomplete;¹⁵ the main characteristics of the survey respondents is noted in Appendix V). Therefore, this research can be categorised as a

recruiting research subjects). The priests of the Hungarian Roman Catholic and Protestant churches, and the Romanian Orthodox Church, were also helpful with suggesting contact persons. Personal contacts were also used to approach individual members of the target population. My gratitude goes to all those individuals who were helping me in getting access to the field.

¹⁴ The questionnaire was available in English only; although I acknowledge that providing it also in Hungarian and Romanian could have counterbalanced the possible selection bias, I tried to overcome this by conducting the semi-structured interviews in the interviewees' mother-tongues.

¹⁵ An Internet Protocol (IP) address is a numerical identification that is assigned to computers participating in a network using the Internet Protocol to communicate between the nodes. An IP address can indicate where the computer is physically situated. I removed the answers with German (2), Irish (1), Romanian (6), US (3), non-London UK (1) registered IP addresses as well as the double answers from the same IP address; altogether I disqualified 14 responses.

small-N study. It is as difficult to construct multivariate analyses in small-N studies as it is unreliable to draw inferences from such small subsamples to the corresponding subpopulations. Careless data manipulation and generalisation could lead to the construction of ‘bits of sometimes true theory’ (see Coleman 1964; Stinchcombe 1968). Nevertheless, even studies with a small sample ‘can develop new theoretical ideas, [...] can put them to test and use the results in the explanation of outcomes. [...] Small-N studies have reached a level of validity comparable to that of the larger-N model of mainstream methodology’ (Rueschemeyer 2003:325). While I have analysed the clean dataset with SPSS, producing some descriptive statistics and carrying out some statistical tests, I do not claim that my data would be representative to the wider population of Hungarian and Romanian tertiary-educated in London.

The qualitative empirical data that completes the online survey consists of 54 semi-structured interviews with Hungarian and Romanian professionals and graduates and seven in-depth interviews with London-based employers of East European graduates. East European interviewees were recruited from the online survey respondents; I spared no efforts to recruit as diverse and heterogeneous a group of people as possible, having in mind that the external validity of qualitative research is not enhanced by the number of persons involved but by the variety of the sample (Weiss 2006). At the end the questionnaire respondents were asked if they would like to talk about the topic of the questionnaire in more depth. If so, they were asked to enter their email-addresses and I contacted them shortly thereafter to set up a meeting for the semi-structured interview. Although 67 persons agreed to participate in the follow-up discussions, I did not conduct interviews with all of them. Recognising themes, topics, arguments and patterns of mobility, I concluded that I have reached the ‘saturation point’ in data collection and stopped doing more interviews. Generally, I conducted the semi-structured interviews in cafés around London, in respondents’ mother tongue – either Hungarian or Romanian. I was following the interview schedule in Appendix VI, which served as a memory card rather than a strictly pre-defined series of topics that needed to be discussed in that particular order. The main characteristics of my interviewees are described in Appendix VII. All interviews took about one hour and I digitally recorded them; I was transcribing each interview in Hungarian or Romanian based on the downloaded voice files, resulting in over 500 pages of transcripts. All translations that appear in the thesis are my own.

Whereas the field of East European professionals and graduates was relatively easy to access, contacting their London-based employers was very difficult and time-consuming. Various trials (such as contacting employers directly, through in-house HR departments, through personal referrals or through interviewees) ended unsuccessfully. Employers often refused to be interviewed because of lack of time, internal policies or because they have felt that my questions will challenge their equal opportunities schemes. Finally, with the help of LSE Careers Service,¹⁶ seven HR professionals working in multinational corporations were willing to participate in my study. I conducted semi-structured interviews with them in English (see interview schedule in Appendix VIII) either on the phone or in cafés around London. I was digitally recording and transcribing each interview.

I have used NVivo 2.0 for the coding and re-coding of all transcripts. The details on how I developed the NVivo codes as well as a list of my original codes are in Appendix IX. My approach to qualitative data interpretation, which became a more conscious choice as the research developed, is a mix between grounded theory and narrative life-history analysis. On the one hand, my aim was not only to understand the basic social processes of East–West mobility but also the individuals’ own understanding of their experience. Therefore, I have approached the analysis of their migration and life history in a narrative form to be able to grasp their accounts of explanations, understanding and interpretation of their own experiences with mobility and labour market incorporation (see Miller 2000). On the other hand, the grounded theory approach (see Glaser and Strauss 1967) allowed me to generate theories or, at least, hypotheses from data. As grounded theory’s analytic approach constantly compares emergent themes and relationships, using this approach enabled to conduct the exploratory research on the social process of becoming a professional or graduate employee from Eastern Europe in London.

¹⁶ I greatly acknowledge the help of Frances Meegan and LSE Careers Service in putting me in contact with HR administrators and consultants of London-based organisations employing East European graduates. Without this help I might have not been able to conduct interviews on the ‘demand side’ at all.

3.2.3 Reliability and validity

My overall aim throughout the research process was to increase the reliability and validity of my findings. Reliability is defined as the extent to which a measure is free from random error; it refers to the replicability of research findings and whether or not they would be repeated if another study was undertaken using the same or similar methods. Validity is the extent to which a measure reflects only the desired construct without contamination from other systematically varying constructs, that is, it refers to the correctness or precision of a research reading (Hoyle, Harris et al. 2002:83).

In the quantitative part of the thesis, the reliability of the data is increased by providing a detailed explanation about how the data was accessed and analysed. Validity is ensured by using appropriate statistical tests for the type of data accessed or generated. In the qualitative part of the thesis reliability and validity are more difficult to justify, especially as there is substantial disagreement in the literature on the applicability of reliability and validity to qualitative research (Silverman 2006). Overall, greater reliability and validity of results is achieved through the triangulation of research methods and by providing a transparent account on how the data was generated and analysed. According to Silverman, 'low-inference descriptors' (recording observations as concretely as possible, including verbatim accounts of what people say) are important in achieving high reliability in qualitative research. This was achieved by tape recording, word-for-word transcribing and translating of the interview material so that it could be cited in the thesis.

Nevertheless, a couple of research pitfalls need to be mentioned. Since the individuals included in the sample were self-selecting rather than randomly chosen, it should be emphasised that the sample is not representative of the wider population of Hungarian and Romanian professionals and graduates in London. Thus the results are not generalisable to this population; yet they do improve the sociological understanding of a fairly explored research area, that is, the process of professional and graduate mobility from Eastern to Western Europe. The findings are extremely helpful in formulating some hypotheses and theories which can be tested by future research.

Furthermore, errors occurring because of the inappropriate selection of the research subjects were minimised through diversifying the pool of potential respondents as much

as possible. In the case of the online survey, non-London-based responses were excluded through the IP address checks. Even if these responses might have been provided by people who – exactly because web surveys can be completed anywhere, at any time – had chosen to complete the survey when they were outside London. As the study is part of cross-sectional research, the threats of maturation, history or drop-outs, common sources for decreasing validity, do not represent a problem.

3.2.4 Ethics and reflexivity

While I was not expecting that East European professionals' and graduates' employment finding practices in London will divulge controversial secrets or address emotionally charged memories, ethical issues are involved if interviewees report practices or workarounds they used in order to get better employment more quickly than British migration or labour regulations, or both, would otherwise allow. This potential sensitivity of the topic made necessary for me to consider the ethics of the study (identifying and approaching respondents; transcribing, managing and reporting field data). In order to give informed consent for respondents to participate in the study, I provided key information on the research projects: I explained what the study involved, how the data would be kept and treated, who was going to conduct the interview, and how the collected information will be disseminated. I conducted interviews based on verbal informed consent. Only I know the research participants' names and contact details. In the thesis I use altered names, and I have altered or removed all identifiable details from the cited transcripts.

Since the research process is a social encounter, the researcher may affect the interview situation by introducing a systematic yet consistent bias, from the formulation of interview questions to influencing the answers given to particular questions. Being aware of such biases and controlling for them, or at least, reflecting on these influences during the research process can help improve the quality and robustness of research. My background as someone whose mother tongue is Hungarian but who grew up in Romania made me a double insider but also a double outsider for the two researched subpopulations. My perceived insider role probably made interviewees feel more

comfortable with the interview situation (because of the ease of speaking their mother tongue or being able to make references to common roots and knowledge), but it also made probing more important. For example, interviewees were not less willing to elaborate on their motivation for leaving their home countries and cut short their arguments with ‘as you also very well know’. Probing was simple for me, by emphasising my outsider position: for Hungarians that I grew up in Romania; for Romanians that I was actually Hungarian, hence ‘I do not really know’. Also, I suspect the fact that I share the socio-economic and educational backgrounds with many of the interviewees yet we ended up in different positions in London could have influenced some responses, especially from graduates of the same age as I am who were working as au-pairs or construction workers. Nevertheless, I have tried to eliminate the bias of social desirability by over-emphasising the uniqueness of individual life histories.

3.3 The research subjects

As presented earlier, I have surveyed 133 Hungarian and Romanian professionals and graduates in London, later conducting semi-structured interviews with 54 of them. In this section I present briefly some descriptive statistics on their demographic and social background, as found analysing the online survey data; from time to time I also rely on interview extracts to make sense of the numbers. By doing this, I aim to draw an informative image on the background of my research subjects.

3.3.1 Demographic characteristics

More than one-third (39%) of my online survey respondents were born in Hungary and two-thirds (61%) in Romania; 44% have Hungarian as a mother tongue and 54% have Romanian as mother tongue, and a further 2% consider themselves bilingual.¹⁷ About

¹⁷ About 7% of Romania’s population is of Hungarian origin, as are some respondents in my research. The difference between the share of Hungarian-born and Hungarian-speakers is thus the members of the

one-quarter of the respondents is a dual citizen (usually having secondary citizenship of Britain). At the time of the research these individuals were on average 33 years old. They arrived in London when they were in their mid-twenties, though the average age of arrival of Hungarians (23) was lower than the average age of arrival of Romanians (26).¹⁸ This age difference is not significantly mirrored in the two groups' levels of educational attainment or in their years of work experience. Hungarians are equally likely to have postgraduate degrees or similar amount of work experience than Romanians.

There was an equal split between males and females among my research subjects (males: 51% and females: 49%). Having in mind, however, that studies on professional migration usually report that there are more professional men than professional women on the move (see e.g. Beaverstock 2004, 2005), the nearly equal gender split among my interviewees may point towards increasing feminisation of migration (see Castles and Miller 2003 and statistical evidence regarding East-West migration in Chapter 2). Regarding their marital status, 47% of my respondents were single (one-quarter of them living with partners), 44% married and a further 9% separated or divorced, with no significant difference between the two sending countries. Not surprisingly, the single respondents were also the youngest to have arrived in London, usually in the last 3–5 years.

My respondents' initial motivations for coming to London were to find work (47%) or to study (37%). About one-third of those who arrived initially to study stayed on to work. Personal motivational factors like following family members who came to London earlier were important for only 13% of the respondents (suggesting that the East European university educated are unlikely to travel by virtue of network migration).

I have found significant association between gender, age and the motivation to migrate: males were likelier to migrate for work-related reasons and to a lesser extent to study; females have moved generally for personal reasons or to study. Yet this does not make my respondents' behaviour in any way different from those of an average British immigrant (see Horsfield 2005:128). The Labour Force Survey having found that in the

Hungarian minority of Romania, living in London (born in Romania but have Hungarian as their mother tongue).

¹⁸ The dominant age profile of British immigrants, at all educational levels, in 2003 is as follows: 42% were aged 15 to 24, 43% were aged 25 to 44 (Horsfield 2005:127). Demographically, immigrants to Britain from higher-income countries tend to be younger; they are more likely to be single and less likely to remain permanently in the UK; these are typical characteristics of the temporary labour migrant streams that are increasingly part of the world economy (Rendall and Salt 2005).

early 1990s in Britain job-related movement by foreign-born females was 40% lower than that for males (Boyle, Halfacree et al. 1998). The migration motivations vary significantly also with the age of migration: those who came to Britain with the purpose of studying were on average 22 years old at the time of migration; those who came to work were 26 and those who moved for personal reasons were on average 29 years old.

Initially, at least, those with study plans wanted to stay in London for a shorter time (about a year); not surprisingly, those motivated by personal factors foresaw their stay the longest (three years or more). Since only a few respondents intended to settle in London permanently, the interview showed that they hardly ever think of themselves as *de facto* immigrants to Britain. Rather, they are individuals who sustain the growing, temporary, circular mobility flows of professionals within the transnational social space of the increasingly inter-connected Europe. In fact, the majority of my respondents who did not have clear plans regarding the timeframe of their stay at the moment of arrival were the professionals and graduates who arrived directly to work; if they had, they initially wanted to stay for 2–3 years. Generally, interviewees were undecided about how long they would stay in Britain and where they would go if they left. On average, more than half (52%) of the respondents did not know what they will do when they leave the country (60% Romanians, 41% Hungarians). Compared with a wider pool of professionals arriving in Britain, 28% of whom were not sure what they intend to do (IES 2002:10), this high degree of indecision on the one hand suggests there is greater flexibility, open-endedness and increased sense of opportunity among East Europeans; on the other hand it emphasises the underlying uncertainty and unpredictability of migration flows, which government policies, market and other social mechanisms can influence but cannot govern. Those respondents who do not have firm plans to settle in Britain and wish or might wish to leave Britain if the opportunity structures are favourable, generally do not know when they would like to leave (45%) or where would they like to go (43%). Cristian formulated this very well:

I have never planned to emigrate or to settle in Britain. But I did plan to work abroad. And this latter carries the possibility of return. I was never tempted by emigration, but since I tried to delay the moment of return, it seems to me that I have done it with success. So probably I have to admit at one point that actually I am a Romanian emigrant, immigrant in

Britain. In fact, initially I just came for a job, for a better life, for a time. [Cristian, engineer, RO->London in 2001]¹⁹

The open-endedness of decisions covers not only the generic migration plans, but also the timeframe and possible destinations. Research on other East European migrants in London confirmed that this strategy of 'intentional unpredictability' (Garapich 2006) is not only a characteristic of Hungarians and Romanians, but also of Polish migrants in London.

3.3.2 Education and qualifications

As a criterion of participation in the study, all research subjects are educated at least at undergraduate level. Nearly half (44%) of survey respondents have master's degrees (MA or MSc) and more than a quarter of them are MBA (14%) or PhD (14%) degree holders. Only 29% of respondents stopped have only an undergraduate degree. This makes them much more highly qualified than the average university-educated person in Hungary or Romania.²⁰ This may suggest that the interviewees were either the 'best and the brightest' (if they acquired all their degrees at home), or postgraduate education represented a way for them to enter or surpass some glass ceiling within the labour market (if their highest degree was acquired in Britain).

Although all the respondents had obtained their undergraduate degree in their home country, nearly three quarters were educated at postgraduate level and almost half (40%) of the highest degrees held by the online survey respondents had been acquired outside their countries of birth, usually in Britain. Therefore, nearly one-third (30%) of all my respondents were 'designer immigrants' (Gent and Skeldon 2006), that is, foreign nationals who had been trained in their destination market. The remainder who had trained abroad had obtained their postgraduate degrees from a US higher education institution (6% overall) or from other European countries.

¹⁹ Each citation of the thesis is followed by a brief description of the interviewee: Altered Name, occupation, country of origin (Hungary [HU] or Romania [RO]) -> destination (London) in year of first arrival to London.

²⁰ In 2005, 93% of Hungarian graduates left with a BA/BSc, 5% with an MA/MSc and 2% with a PhD degree. In Romania, the corresponding figures were 91%, 6% and 3%, respectively. In the UK, 73% finished university with an undergraduate degree, 23% with master's degrees and 4% with PhD degrees (UIS 2007).

Romanians were likelier to have postgraduate degrees from outside their home country than were Hungarians: about 25% of interviewed Hungarian-born had a British postgraduate diploma and 5% a US postgraduate diploma, compared with 32% of interviewed Romanian-born interviewees who had a British postgraduate diploma and 6% with a US postgraduate diploma. The majority (84%) of British degrees were postgraduate diplomas, one-quarter of these being PhDs, 40% MBAs and the rest MA/MSc degrees (half of them in business and economics, less than a quarter in social sciences, the rest in technical and life sciences as well as law). This suggests two points for later consideration. First, a significant share of British labour market entrees of East European origin may in fact be internationally mobile students who have become British university graduates and then employees in London, rather than East–West ‘migrants’ in the traditional sense. Second, East European graduates may consider it necessary to enrol onto a British postgraduate degree programme at a certain point in order to overcome barriers on the labour market (which suggests there are problems with their East European credentials being recognised at formal or informal levels). I will return to these in Chapters 5 and 7.

3.3.3 Work experience

My respondents have had on average eight years’ work experience, acquired equally in their home, host countries and other third countries. One-third of the respondents who had third country work experience (more often males than females) before arriving in London worked typically in a North American (8%) or a West European country (8%), but there were a few also with South-East Asian or other East European work experience. Yet, the majority of my respondents arrived directly from their home countries (without any significant difference between Hungarians and Romanians). There are different trends over the years, however. During the 1990s it was more likely that Hungarian and Romanian professionals and graduates arrived in London from another foreign country rather than from their home countries; during the 2000s, however, more people came to London directly from Hungary and Romania. This may suggest that the increasing direct transnational movement between Eastern Europe and London is leading to better embedded markets and to the emergence of a new

transnational social space in Europe within which East European graduates move as easily as their Western peers, contributing to the increasingly circular and temporary East–West mobility.

Before being employed in London, 57.6% of my respondents had professional or managerial, 3.3% intermediate, and 3.3% routine and manual occupations; 35.8% were full-time students, either in their home countries or in Britain.²¹ The large percentage of former students suggests, again, that East–West mobility may have happened for many interviewees prior to entering the labour market, within academic institutions or into their very first job, which they have received in London. Chapter 7 elaborates in detail on the occupational and social class positions that interviewees achieved in London.

3.3.4 Language knowledge

Based on the responses to the online survey, almost all (95%) Hungarian and Romanian professionals and graduates know English at least at intermediate level.²² Even if employers and the professionals and graduates themselves acknowledge that non-English language skills are relatively unimportant in London, the respondents speak at least one other foreign language in addition to their mother tongues and English. Overall, the survey respondents admittedly know on average four languages, three of them at least at intermediate level; languages spoken at least at intermediate level are English (95%), French (40%), German (28%), Italian (21%), Spanish (7%), other foreign language (14%). Next to their mother tongue and English, the Hungarian respondents are more

²¹ I recoded the survey data based on the principles of the National Statistics' Socio-Economic Classification (NS-SEC – see National Statistics 2005) that has been developed adopting the class schema produced by Goldthorpe and his colleagues (e.g. Goldthorpe 1987, 2000). The NS-SEC is an occupationally based classification and it measures employment relations and conditions of occupations. Its 17 operational categories can be aggregated into eight, five or three analytic classes as well as three additional residual classes. Since these categories cover different forms of employment relations (and not skill levels), the scale should not be regarded as an ordinal but a nominal scale. Nevertheless, the three-class version I am relying on may be assumed to involve a form a hierarchy of employment relations.

²² The online survey was carried out in English only (but the semi-structured interviews were in the respondent's mother tongue). Even if the wording of the questions was kept simple and non-technical, it is possible that the respondents were self-selecting based on their language ability. Hence it is also possible that the survey is skewed towards the ones with above average English knowledge. Nevertheless, this was compensated by more the semi-structured interviews with those whose English language ability is below average so that the overall quality of the research data is not affected.

likely to speak German, the Romanian respondents more likely to speak French and to lesser extent Italian or Spanish, which is explainable by the historical influences on national curricula,²³ and by the perceived similarities between the native and foreign languages, especially for the Romanians.

The semi-structured interviews revealed though the differences respondents had experienced in language training and their active use of English: the more additional language tutoring beyond school respondents had received (such as private teachers or participation at language courses abroad), the more confident they were in their English language abilities:

I have been learning English since the 2nd form of my elementary school. At that time [in 1987] it was a very new thing, there was only one class where English was taught; all the others learnt Russian. And my parents recognised this opportunity. We also went to an English private teacher with my brother, so by the end of the elementary school I knew pretty well English. This does not mean, of course, that I would have been capable of standing on my own feet anywhere at that time... but after gymnasium I could. And here, abroad, if you are left to your own devices, you get used to [speaking English] quickly. [Bence, investment banker, HU->London in 2004]

Bence's experience is certainly not typical of 'the average' Hungarian or Romanian teenager, nor is that of Cecilia, who brought her English to perfection by taking a degree at a Romanian university where most of the disciplines were taught in English:

At the university all my courses were in English. For others, there were courses also in German or French. Entering these specialisations was very competitive, since at that time, at the end of 1990s, the majority of companies wanted to recruit students who spoke at least one foreign language fluently. [Cecilia, manager, RO->London in 2000]

The above examples were typical of my respondents, but untypical of their peers at home. Typically, a Hungarian or Romanian student's knowledge of a foreign language, acquired either in schools or at university, is rarely high enough for them to take up employment using that language:

I came to London because I was preparing for an advanced language certificate examination at home, but I realised that my vocabulary was not rich enough. One cannot acquire a rich vocabulary [in English] at home. [...] It is really interesting that at home English is taught in a totally different manner compared with how it is spoken here. It was really interesting to come out and realise that X expression is not used, or that the way I pronounce Y is in fact completely wrong. So what is accepted and used at home, it turned out not to be like that [here] at all. There are many English teachers at home, who teach this

²³ Hungary is traditionally considered a 'Germanic' country and Romania a 'Francophile' country in the organisation of public institutions, including the structure and content of education. In Romania until the end of the 1990s French was the first foreign language taught in schools; in Hungary until mid-1990s German was the first language to be taught. The popularity of English as first foreign language is quite a recent phenomenon in both countries (Eurostat 2007).

language without ever going to England or to an English-speaking country. [Anikó, au-pair, HU->London in 2004]

The variance among the levels of knowledge of English as well as the ways in how it was acquired signals the diversity and heterogeneity among highly qualified East Europeans in London. Two hypotheses can be derived from this. First, it can be suggested that those East Europeans who managed to acquire advanced English language skills during the late 1980s and 1990s are likely to have elite or middle-class backgrounds, a very thin yet slowly growing layer of the post-communist East European society (see, for instance, Eyal, Szelenyi et al. 1998). That is, they may be off-springs of families with high cultural capital, who understood the importance in investment in language training and had the relatively high economic capital in order to be able to undertake the investment. Second, learning a foreign language at home may be an important driver of mobility. On the one hand, learning English (or, for that matter, German, Spanish or French) can improve individuals' job getting chances, at home and abroad, and can encourage people to look for suitable work in a larger labour market; on the other hand, the prospect of possible foreign employment can be conducive to learning foreign languages 'just in case', which in turn might indeed lead to migration. By looking in the thesis at both the origin of migrants and the reasons why they left as well as their achievements at destination will help us understand better how they fare in London, and why.

3.3.5 *Social class*

Nee and Sanders (2001) pointed out, the transmission of human-cultural capital – the investment strategies and methods of accumulation – takes place largely within the immigrant family and that the volume of financial and human-cultural capital of a family is an objective measure of its class position.²⁴ The connection between social-class position and human-cultural capital is in the resources afforded by financial capital in initiating investments in cultural competence, with elite and middle-class families starting earlier and allocating greater resources to foreign language tutorials or foreign

²⁴ Nee and Sanders (2001) also point out that immigrants do not necessarily bring with them the class structure within which their privilege or lack of it was determined and reproduced, but they do bring varying amounts of these forms of capital, the volume of which co-varies with the initial level of entry, and influences the subsequent trajectory of incorporation.

travel. My respondents' educational background, occupation, the nature and geographical spread of their work experience or their language knowledge (and the ways of acquiring these) made me realise that the majority are in class terms not 'the average' Hungarians or Romanians from home.

The trajectories of the interviewed Hungarians and Romanians in London suggest that many of them are the offspring of resource-rich middle-class families (having not only a certain level of cultural capital and internalised values and norms, but also a reasonable level of income and certain consumption patterns and political and cultural habits). This is not new in the study of professional and graduate mobility: generally, studies assume that all professionals and graduates have access to good schools, language tutorials or foreign travel; they can be mobile since they are at least of middle-class background (and among Western middle classes mobility is a social norm). However, this is new for Eastern Europe, where middle classes in the Western meaning of the word became identifiable only in post-communist times (Kolosi 2000).

Some offsprings of East European middle classes were brought up in an environment where mobility is a social norm. Zoltán's example is typical of those elites who have routinely had access to international travel and experience through family connections and schooling even in times when international mobility was less widespread in Eastern Europe than it is now:

There was that example in the family that going abroad is a good thing. Two of my uncles had worked abroad [...]. The family had that model that one can go and try his or her luck abroad. One shouldn't stay home at all costs. My sister, for example, left for Germany much earlier than I did to the US. [Zoltán, consultant, HU->London in 1996]

Whereas at the beginning of the 1990s one had to be a member of the elite to have the chance to move, with the opening up of various European labour markets and the growing middle class in Eastern Europe, mobility is not restricted to the elite classes anymore. In fact, because Europe is economically, culturally and socially an increasingly connected space, middle-class East Europeans are becoming more mobile. István pointed out the generational differences between those who are and those who are not able to be mobile within Europe:

All their lives, my parents worked at a big enterprise, as engineers. That was their first and last place of work. How should I put this: they had some sort of a career, but they hardly advanced much from the position at which they started. They have worked all their lives, for little salaries and no careers, yet they have sent us to universities and taught us foreign languages. [...] I was born into a different Hungarian system. I can make my choices now, I

can travel, I can work abroad and because of the education I have received I can have the career I want. [István, investment banker, HU-> London in 2002]

Overall, from host country perspective, my respondents do not differ in their characteristics from other professionals and graduates around the world who arrive to London: they are young, well-educated, speak various languages and have some work experience, aiming to obtain jobs, to study, or to do both. From home country perspective, however, my respondents are not 'the average' Hungarian and Romanian: they are members of the old, very thin and established, or the new, emerging middle classes in Eastern Europe whose current patterns of migration behaviour differ little from those in the West. They are certainly not the stereotypical impoverished and unskilled East Europeans; on the contrary, they may be the pioneers of a newly emerging cosmopolitan East European middle-class 'spiralist' segment who seek the realisation of their life and career aims through geographical mobility.

3.4 Summary and discussion

In this chapter I have argued that multi-method research is the most suitable design for generating knowledge on the social process of East–West mobility of professionals and graduates, an area of research which has been little investigated before. I defined my research as an exploratory case study that aims to deliver the first insight into the social context and the main issues of this research area and to stimulate further investigations.

I have chosen London as the case study of my research since London as the ultimate global city, financial hub and high wage area attracts many professionals and graduates from around the world, so assumingly also from Eastern Europe. Yet, as I showed in the previous chapter, Britain and London has never been a traditional destination for the East Europeans. In the remaining part of the thesis I aim to understand how these apparently contradictory messages influence East European professionals and graduates mobility agendas.

In this chapter I have also outlined briefly the demographic and social background of my research subjects, concluding that the individuals who I have interviewed, online or face-to-face, do not differ substantially in their characteristics from the other

professionals arriving in London (for comparison see Beaverstock and Smith 1996; Salt 2005b; Favell 2006b): almost all young and single, arriving in London in their late-twenties, to work or to study (males) or for personal reasons or studies (females), they have generally no intention of staying more than a couple of years. I have noted a potential trend for increased feminisation of the East–West migration flows, given the equal proportion of males and females among my interviewees, even if professional migration is supposed to be male-dominated.

I have also noted that the majority of my respondents have postgraduate degrees and nearly one third are ‘designer immigrants’, that is, they obtained their highest degrees in their host country, i.e. Britain. This made me hypothesise that many graduates of East European origin may be in fact mobile students who obtain a job in London after graduation rather than East–West ‘migrants’ in the traditional sense of the word; or, that enrolling to a British university may be necessary to overcome barriers on the British labour market. I shall reflect upon these hypotheses in Chapters 5 and 7.

In some other characteristics, however, the Hungarian and Romanian professionals and graduates do differ from other professionals arriving to London. For instance, their mobility plans are more flexible and give evidence of greater ‘intentional unpredictability’ than those compared to wider pool of professionals in Britain; and they are slightly more likely to stay on for work as British graduates than their other international peers (IES 2002). Furthermore, middle-classes being only about to emerge in Eastern Europe, the majority of my respondents having elite or middle-class background in social terms situates the movers from the 1990s and early 2000s into the upper quartile of their home societies rather than representing an ‘average Hungarian or Romanian’ adhering to a social norm (i.e. what mobility represent among the Western middle-classes). Whilst analysing various facets of it in the empirical chapters to follow, I shall return to the idea of a newly emerging, young and cosmopolitan East European middle-class segment and its characteristics in the concluding Chapter 8.

4. Frameworks of mobility decisions

I argued in Chapter one that Hungarian and Romanian professionals' and graduates' employment experience can be understood better if we understand first their socio-economic and educational backgrounds as well as their reasons to look for employment abroad. In this chapter, about the frameworks of mobility decisions, I seek to understand the reasons why East European professionals and graduates participate in cross-border employment search. Like many other areas of the social world, this first stage of the migration process is not distinct from the following two addressed in the next empirical chapters; that is, of the choices of destination and of the applied labour market practices. These decisions are often interlinked, structuring and structured by each other. Yet, I have chosen to treat them separately since they are addressed by distinct bodies of literature; and, one could argue, there is a certain linearity and temporality among these three stages of the social process. Migrants' occupational attainment at destination is found to be dependent on the characteristics of the receiving settlement (see Tilly 1994), and most researcher would agree that migrants would not go there where they cannot fulfil some of their migration-related expectations (e.g. Portes and Böröcz 1989; Massey, Arango et al. 1993). Hence, the reason for mobility can impact migrants' destination choices, and both can influence their level of occupational attainment at destination.

In this chapter I will examine the structural-institutional and social framework of Hungarian and Romanian professionals and graduates within which their desire to be employed abroad, temporarily or permanently, emerged. The focus will be on investigating the extent to which Hungarian and Romanian professionals' and graduates' mobility decisions are structurally embedded and how are they different from other professionals and graduates from around the world, or indeed, from each other. I end the chapter by enumerating the social and structural drivers of East-West professional mobility, premising their impact on these individuals' destination choices and differentiating between two types of highly-educated movers.

4.1 Structural imbalances and cumulative causes

In Chapter 1 we saw that economic reasons are the most popularly quoted drivers of mobility. The levels of demand and supply, and absolute and real wage differentials, are frequently cited as the reasons why people choose to work abroad. The economic migrant is often compared to the ideal-typical *homo economicus*, taking rational and perfectly informed decisions based on cost-benefit calculations, in a perfectly transparent world (see McGovern 2007) and being responsive to the international fluctuation of economic conditions (Jenkins 1977). Furthermore, economic migrants with high human capital not only seek high income but also employment which is most appropriate to their education and training (see Sjaastad 1962; Todaro 1976).

However, the dominant neoclassical explanations of migration have been challenged by a number of social scientists, arguing that migrants are social and not economic actors whose preferences are heterogeneous, whose expectations regarding good jobs is dependent on their level of education, knowledge of the host country language, life-cycle characteristics (age, gender, marital status) or even network of social support, ultimately, whose decisions are socially embedded outcomes of cumulative causes (e.g. Massey 1990; Portes 1995a; Portes and Rumbaut 1996; Massey, Arango et al. 1998). Overall, professionals and graduates are believed to engage in mobility if:

- their individual expectations regarding income, occupational and social standing as well as suitable working environment cannot be fulfilled at home (see Portes 1976; Portes and Rumbaut 1996);
- their network of social relationships encourages their mobility (see Portes 1976; Mahroum 2000; Meyer 2001); and,
- there is a over-supply of graduates produced by domestic educational institutions, unmatched with a similar level of internal demand for their services (see Portes 1976; Wickham 1992; Stark 2004).

In this chapter I will examine how Hungarian and Romanian professionals' and graduates' reasons for migration contrast, complete or compare with those in the existing literature, leading to my analysis of the two main types of professionals and graduates I could delimit.

4.2 Mobility framework in practice

In terms of individual expectations my research population seems to be homogenous, at least at first sight: in Chapter 3, we saw that most of the respondents to the online survey were young, single, highly educated (many at postgraduate levels) and speak various foreign languages. The majority have degrees from their home countries and some have a few years of professional work experience; yet about one-third have acquired their highest degrees in Britain, with a similar proportion entering the labour market for the first time. To understand the diversity of this group we need to examine the reasons why they moved abroad.

4.2.1 Maximising utility

The dominant neo-classical argument for people looking for work abroad is that they seek to maximise utility from cross-border mobility. Maximum utility is gained by obtaining maximum income, or for migrants with high human capital, employment and remuneration appropriate to their formal education and training. Push–pull theorists even suggest that individuals respond to the fluctuations of economic conditions, especially of wages. Migrants are thus ‘wage workers’ and declining real wages at home should give a push to migration; increasing real wages abroad should represent a corresponding pull (Jenkins 1977). Indeed, the East–West income gap is referred to in the accounts of virtually every interviewee, independent of profession or occupation, validating at first sight the neo-classical argument regarding the importance of income maximisation. Hungarian and Romanian young professionals, graduates with entry level jobs, often complained about their salaries not being high enough to guarantee them a decent living at home. Ferenc, a young architect, accounts for earning about five times more in London than in Budapest, by doing the same job as before:

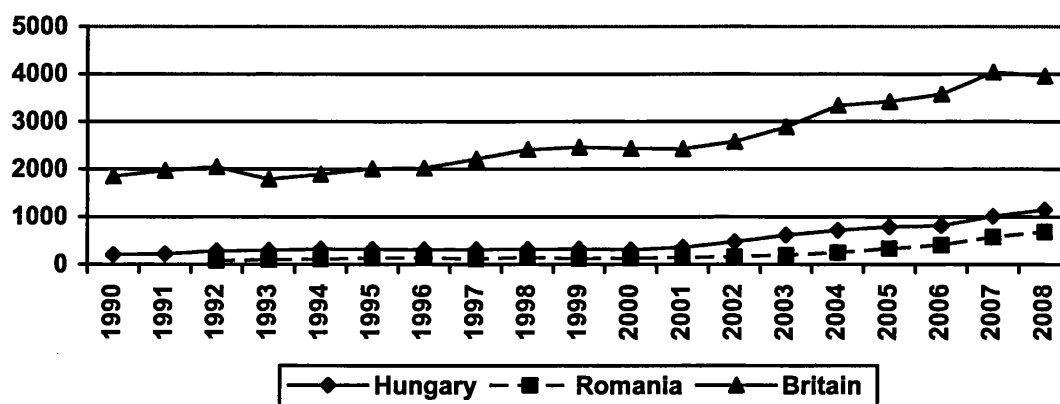
I received my first salary in 1999, a monthly brut 45,000 HUF [about 110 GBP], which was increased to fifty, sixty and I reached brut seventy for two years. After graduating from the university and obtaining my association membership, my salary was increased to a monthly 160,000 HUF [about 400 GBP], brut, which isn't really enough for anything. [...] Here I earn monthly about 2,000 GBP. [Ferenc, architect, HU->London in 2004]

Not only architects, but computer scientists, engineers, doctors, musicians or business graduates talked about the same problem: their salaries at home enable them to cover the costs of nothing more than their daily subsistence. Ilona, a young cellist, shares the same experience with Ferenc and other career-starters:

[As a music-teacher] I was earning about 30,000 HUF [about 75 GBP] a month. [...] I didn't really see any future in teaching music, since it is very hard to gain a living. Music is an expensive hobby, especially because I use baroque instruments, and people expect free concerts. After a while I was embarrassed to say that, OK, I would love to give another free concert, but I also need to eat. [Ilona, musician, HU->London in 2003]

In terms of average income, both Hungary and Romania are manifold below the British standards (see Figure 5). While average gross earnings are slowly increasing since the mid-1990s, British salaries are on average 4-5 times higher than Hungarian wages, and 8-9 times higher than average Romanian monthly earnings. Yet, when discussing income and wages in Eastern Europe, the role of economic transition during the early 1990s must be borne in mind. During state socialism wages were not intended to cover the whole cost of the reproduction of labour, as the state took care of certain living costs of employees (by providing free education, health care or housing). With the transition to a market economy state subsidies were discontinued, so the real value of wages began to decline during the first period of transition and caught up only after the mid- to late-1990s, still lagging behind those considered to be 'normal' in developed market economies in almost all sectors (Galgóczi 2002). This explains, at generic levels, that the East-West income gap can be – and often is – a natural driver of mobility decisions.

Figure 5: Average gross earnings in Hungary, Romania and Britain (monthly, in USD)



Source: (EIU 2008)

While the East–West income gap played a role in the decisions of most people with whom I talked, interviewees with some work experience approached the problem slightly differently. They were also unhappy with their lower home salaries, even if their pay enabled them a decent lifestyle. For them, the East–West income gap represented the lack of global equity in professionals' remuneration. Just as Beaverstock et al. (2000) note that professionals operating on a global labour market demand (and receive) 'global wages', East European professionals felt that they should have similar economic returns to their human capital as other professionals doing the same jobs in Western countries have. Kálmán, an IT engineer formerly working for a German firm in Hungary, often sent for short appointments to Germany, pointed out:

If my employers could find a way for me not doing the work in Germany, they sent me with the work back to Hungary, because it was cheaper for them [to pay me in Hungary]. But [in Hungary] I did the same thing as [I was doing] in Germany. And this was what persuaded me not to stay in Hungary [...]. If I do a Western job, why should I do it for Hungarian money?! [Kálmán, engineer, RO->London in 2000]

While the East–West income gap was greater during the early 1990s than afterwards, not everybody was aware of the size of the gap. It started to become visible only from the mid-1990s, with the inflow of foreign direct investments and the growing number of Western multinationals in Eastern Europe. Professionals such as Kálmán became increasingly aware of the East–West income differences for professional work, and this represented a strong pull towards high wage areas of developed economies. For some profession, however, such as banking or IT, the East–West earning gap was decreasing over time, representing an ever weakening driver of mobility. István pointed out that currently for experienced professionals wages are not enough to make someone move:

In the 1990s there was a huge difference in salaries in the industry and, at the level I work, between UK and Hungary. Now things have changed. There are serious convergences in salaries, cultures, work ethics, even types of people who work in this industry and their ways of thinking. Whereas in 1992 you would have earned at least ten times more in London than in Budapest, now you'd earn only two or three times more. Therefore other factors are more powerful in your decision: careers, the prestige of where you work, and the quality of life. [István, investment banker, HU->London in 2002]

As István pointed out, East–West social standing and occupational prestige differentials are for experienced professionals as important as East–West wage differentials. Ganzeboom and Treiman (1996) were one of the first to argue that occupational status and prestige can be ordered into a unique cross-national hierarchy, and that the movement on this hierarchy measures better social mobility than any other type of social rankings. Hence, professionals such as István who are likely to see their jobs and careers in a global

context and who seek more prestigious employments seek in fact upward social mobility via status increase rather than – though not excluding – income increase.

My interviewees often stressed the importance of having prestigious jobs and that the most prestigious occupations are at the centre of the business they are specialising in. Just as Silicon Valley is for software engineers the ‘place to be’, for those working in the financial sector the ‘places to be’ are the global cities of London or New York (or perhaps more recently Shanghai). Bringing evidence to Wallerstein’s (1979) core-periphery theory, István pointed out through an excellent example that those who want to achieve a high status within their own professional community want to move to the core:

If you are a greengrocer, it doesn’t make any difference *where* you are a greengrocer, in Hungary or anywhere else. But if you are a banker, it does make a difference. [...] Professionally you need to be in the centre, since being in the centre gives you a certain status within the [professional] community. And for bankers the centre is London or New York, maybe Tokyo. [István, investment banker, HU->London in 2002]

Working at the core is desirable not only for occupational prestige, but it also assures professionals more complex work, of higher volumes. As Bence, an investment banker at a relatively early stage in his career, said, ‘At home there is no volume of M&A activity. If I want to work within this industry, I need to go to Frankfurt, London or New York.’ The lack of complex, specialised jobs, the lack of volume in transactions makes Hungarian and Romanian professionals to reach quickly the edges of their specialisation within their domestic labour markets:

At home, if you’d like to advance a little in your career, the possibility of jobs narrows down. Unless, of course, if you do something on your own. Now, for me, there are no more than thirty jobs, in the whole country! You see the point. It is hard to find a satisfying job. And then I didn’t speak about the satisfying remuneration, possibilities of professional advancement, individual self-realisation. If you want all these, there are even fewer places, in fact. If you don’t want to seek a compromise, you have to go abroad. [István, investment banker, HU->London in 2002]

The move to a different country became an alternative for ‘spiralist’ professionals who reached glass ceilings in their careers at home or who want to progress in their careers, at a quicker pace than what is achievable at home. I recognise in these Hungarians and Romanians Favell et al.’s concept of *free movers*, ‘career frustrated spiralists who gamble with dramatic spatial mobility in their education and careers abroad to improve social mobility opportunities that are otherwise blocked at home’(2006:9).

Overall, during my fieldwork I have found only partial evidence for human capital theorists economic arguments regarding the determinants of mobility. While some

Hungarian and Romanian graduates are indeed driven by their desire to maximise their income (and this is especially true for those starting their careers), the more experience they have, the more complex the utility they expect from their cross-border mobility becomes. Positive income differentials are appreciated, yet, more importantly the differentials in occupational status and prestige of working in the centre of their profession are sought after. Moving from the relatively peripheral Hungary or Romania into a professional job in London is perceived by all my interviewees as upward social mobility. Therefore, while Hungarian and Romanian graduates indeed look for employment and remuneration more appropriate to their formal training (hence human capital theory is validated), professionals look for more complex utility: higher occupational status and prestige which ultimately improves their social mobility opportunities often reached glass-ceilings at home.

4.2.2 Social relations and reference groups

While work experience does explain some of the differences in professionals' and graduates' motivations to look for a job abroad, I came to realise that individuals' reference group orientation has a stronger explanatory power. As Granovetter (1985) argued that economic action does not only happen on the surface of the social structure, but it is embedded within it (decisions being structured not only by economic but also by the social, cultural, political and cognitive contexts), I have found that my interviewees' choices to maximise their utility, be that income or occupational status, are structured by their social relations and social environment within which they are embedded.

I observed two kinds of reference group orientation (that is, the [imagined] belonging to groups of significant others).¹ One, formed by occupational or professional criterion, and István's previous quote illustrates this perfectly ('If you are a greengrocer, it doesn't make any difference *where* you are a greengrocer [...] but if you are a banker, it does

¹ Reference groups are groups that are psychologically significant for one's attitudes and behaviour, either in positive sense that one seeks to behave in accordance with their norms, or in the negative sense that one seeks to have in opposition to their norms (see Kelley 1952). This differs from membership groups, those groups to which one belongs by some objective criterion, external designation or social consensus. Here I refer to reference groups as 'positive reference groups' which represent a source of conformity (and which are socially validated if that group also happens to be one's membership group).

make a difference.’). Many of my interviewees were telling the story of their mobility as individuals belonging to a global community within which mobility is a social norm. For them, their mobility was part of their rite of passage: learning well foreign languages, going for a study year or an internship abroad during undergraduate studies; returning home to graduate and after couple of years of work at home deciding to work abroad, for some years, for more challenges, better career opportunities, or indeed, higher wages. They act as free movers who indeed ‘gamble with dramatic spatial mobility in their education and careers abroad to improve social mobility opportunities’ (Favell, Feldblum et al. 2006:9). Hence, they compare their achievements in terms of jobs or careers to their peers of the same occupation, around the world. This occupationally or professionally build global group of significant others works for my interviewees as an outer reference group.

The other reference group, which is inward looking by contrast, is formed by the age criterion, that is, by social ties to peers within the same cohort, usually at home. Some of my interviewees were telling the story of their migration often referring to the culture of migration dominant within their local peer group. For them, the significant others were individuals from the same age cohort, for whom migration was also a rite of passage, though of different kind:

The first two years of my undergraduate studies were full of parties, but then I realised I need to get serious. First I thought I may want to bind the pleasant with the useful. There were some work experience programs taking students to the USA which were in my times very fashionable. Originally I wanted to go too, during the summer. I wanted to see the world, to be among English-speakers, to gain some money. [...] Then I found out that some friends are going with another program to Britain, as au-pairs, so I came here. [Kinga, au-pair, RO->London in 2003]

As Kinga pointed out, the typical steps of this rite of passage were: learning some foreign languages, during undergraduate studies going to work abroad in the summer as routine or manual workers (often to the USA, but also to Britain or Germany), returning home with improved finances to pay for studies and then to graduate, and then going abroad again for couple of years to work as au-pairs, nannies, construction workers during which they learn new skills and experiences, and most importantly, decide what they want from life. These interviewees did not see themselves as part of global professional community but of a local peer group within which individuals gamble with spatial mobility to gather income and experiences necessary to decide about jobs, careers, and in general about ‘next steps’ in a tight labour market, delaying the start of their ‘responsible adult life’

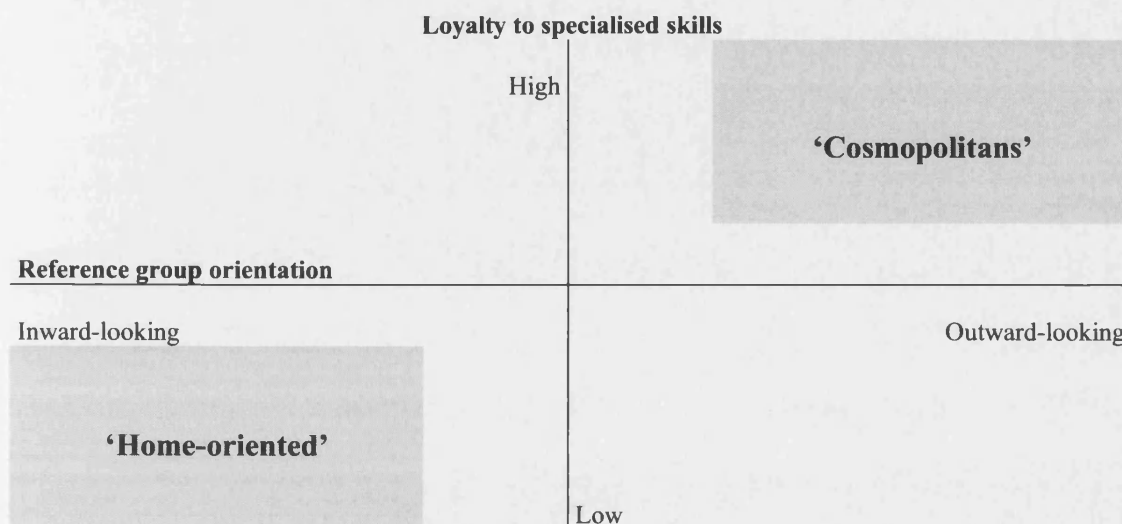
during which one needs to 'get serious'. Engaging in international mobility means for them having a 'parking place': time spent abroad with some income, without needing to decide what will follow afterwards. As one interviewee put it, 'I could not make up my mind what to do at home, but I thought I can come to London to think. While figuring out what I want from life, at least I earn some money.'

Reference group orientation is often a criterion for assigning latent identities. Therefore, it is not surprising that within the apparent homogenous group of university educated Hungarians and Romanians there are diverse latent identities to be found. Gouldner (1957) has been given attention to this in his classical study of organisational identities, in which he has differentiated between cosmopolitan and local latent identities of employees. He defined these identities by employees' loyalty to the employing organisation, by their commitment to professional skills and values, and by their reference group orientations; he argued that 'the concept of latent identities or roles suggests that people playing *different* manifest roles may be performing *similar* latent roles and, conversely, that those performing the *same* manifest role may be playing *different* latent roles' (Gouldner 1957:286). Cosmopolitans, according to Gouldner, are those individuals who are low on loyalty to the employing organisation, high on commitment to specialised skills, and have an outer reference group orientation. Locals, on the other hand, are those high on loyalty to the employing organisation, low on commitment to specialised skills, and likely to use an inner reference group orientation.

I have found Gouldner's distinction between cosmopolitans and locals of great explanatory power when seeking to understand the different reasons for mobility within my apparently homogeneous group of interviewees. The different kinds of reference group orientation and the difference in my interviewees' loyalty to their previously acquired skills clearly delimited two different kinds of individuals engaged in cross border mobility.² The 'cosmopolitans', as described earlier, are indeed those Hungarian and Romanian professionals and graduates who are more committed to their specialised skills than to their employing organisation, or for that matter, country of work, and who

² Gouldner's third criterion of differentiating between latent organisational identities (i.e. employees' loyalty to the employing organisation) is slightly more difficult to apply since migrants usually change employer by changing country of residence (the exceptions are the intra-company transferees). Therefore, in this sense both emerging categories can be considered as low on their loyalty to their employing organisation.

are using a global occupational, outer reference group. The ‘locals’, on the other hand, are comparing themselves to their peers of the same cohort, an inner reference group; they are being less loyal to their specialised skills than are the ‘cosmopolitans’. Instead of following Gouldner’s term of ‘local’, I will refer to the second group of professionals and graduates as ‘home oriented’.³



Of course, the perceived belonging to the inner or outer reference group is not as straightforward in practice as it seems in theory. My interviewees were constantly comparing their social and economic statuses to both groups, in parallel. Yet, I have observed that despite the comparisons there is only one dominant reference group which ultimately provides the mobility model for my interviewees. These mobility models define the utility they expect to derive from mobility, be that higher income, higher occupational prestige or the acquisition of more skills and experiences. Hence, reference groups are one of the main players in professionals’ and graduates’ decisions regarding suitable jobs. On the one hand, the ‘cosmopolitans’, those who relate to an outer reference group and are committed to their specialised skills actively seek greater return on their human capital, at global level; their underlying approach to mobility is directed by the question: ‘What would be achievable with the same level of human capital

³ The term ‘local’ doesn’t really apply to them given that are engaged in cross-border mobility, hence they could be considered cosmopolitan at least in their mobility behaviour. Piore uses the term ‘temporary’ to capture the mindset of those who compare their situation with what they left behind. Yet, given that also ‘cosmopolitans’ think about their mobility as transitional, I doubt that this term would be suitable to capture the essence of this group.

elsewhere?’ On the other hand, those I call the ‘home oriented’, who relate to an inner reference group and are less committed to their specialised skills, actively seek a greater return on their labour; their underlying approach is directed by the question: ‘What would be achievable with the same amount of work elsewhere?’

4.2.3 Demand and supply on the labour markets and beyond

Sandu and De Jong (1996) argued that migrants’ evaluation of their migration situation involves the consideration of three social processes: their own values, norms and goals (formed by their human capital and social identity); the values, norms and goals of people with whom they socially relate; and the way various social environments work (at least those ‘here’ and ‘there’). In the previous sections I have showed that Hungarian and Romanian professionals and graduates expectations from mobility are to maximise their income in jobs suitable to their formal education, to increase their occupational and social status, or both; and that these choices are socially embedded and defined by my interviewees’ dominant reference groups. Yet, the social embeddedness of economic choices is not only dependent on social relations, but also – perhaps even more importantly – on the surrounding social structure. In this section I examine the interviewees’ perceptions regarding the structure and practices of the labour markets they left behind, as primary determinants of their mobility. Here the recent expansion of the tertiary educational system is a significant factor which my interviewees perceived as putting extra burden on the already tight domestic labour markets. Finally, I will unpack one additional determinant, not present in the migration literature but commonly referred by my interviewees as ‘the system’ at home.

In addition to the low financial rewards offered in Hungary and Romania for professional and graduate work, the structure of the domestic labour markets offered little incentives for many of my interviewees. Ibolya, a graduate in finance pointed out how her graduate job not only paid badly but also had few career opportunities to offer:

I was working long hours at home in order to find out there are no possibilities of advancement. I was really enthusiastic, worked through many weekends for no extra pay. On top of this, I could hardly live on what I earned. I realised that long term this doesn’t lead to anything. [Ibolya, analyst, HU->London in 2004]

Both the Hungarian and Romanian labour markets for professionals and graduates are relatively small in size so those aiming for high-flying careers quickly hit glass-ceilings. On the one hand, in 2005 in Romania the ratio of those employed in services, the typical sector where university educated are employed, was only 38% of the overall workforce (and 31% in industry, 31% in agriculture) and in Hungary 67% (27% industry; 6% agriculture). This is an extremely low share compared with, for instance, 79% of Britons employed in services, 19% in industry, and 2% in agriculture (see The Economist 2006). On the other hand, mid- to high-level positions in both Hungary and Romania are currently filled with relatively young professionals, graduated in or around the early 1990s who remain to be economically active for quite some years, reducing this way – at least in theory – the number of available, more challenging senior positions. István, himself in his mid-thirties and part of the lucky few in senior position, pointed this out:

I don't envy those who graduated in the last couple of years. The competition is much fiercer now. These graduates are really, really good, the competition is fierce among them, but there are no jobs for them. You know, [in Hungary] all jobs are occupied by those aged 30–36. Hungary has a small market. So these graduates are forced to go into borderline specialisations or into less well paid jobs. So in shitty jobs altogether. [István, investment banker, HU->London in 2002]

István's perceptions have empirical evidence. Based on a panel study on Hungarian young person's unemployment, Berde (2005) concluded that after 1989 the labour market chances of freshly qualified graduates seeking entry-level jobs gradually deteriorated, partly due to the ongoing expansion of third level education, partly due to the demand for these graduates' services; nevertheless, the labour market chances of those graduates who were not starting their careers is still higher than the average in Hungary.

There is growing evidence of the mismatch between the supply of Western-style, internationally marketable third level educational qualifications and East European labour market demands (Nicolescu 2003; Berde 2005). After being well trained, there were no 'exciting' jobs for engineering graduates such as Kálmán where prior training could be used and developed:

[In the early 1990s] the possibilities were rather shitty. In most cases the opportunities [for engineering graduates] were like going to a factory as an engineer to maintain a machine or maybe in telecommunications. Planning was not really possible. So there were no research opportunities, nothing exciting. Nobody at home was doing new technologies. [...] So I found that there is no future at home. I have finished university and I have left. [Kálmán, engineer, RO-> London in 2000]

Similarly, there were few or no professional jobs available. While some graduates were happy to accept to work in a field which did not require their specialisation, Cristian was one of those who could not go for compromises:

[After graduation in 1995] my colleagues from IT worked in stores or as sales agents, some of them selling underwear or shoes. They have told me they are well paid, but it was a mess. It might well be that it was the second best paid job in the country, but they did not work in the area in which they were prepared [at the university]. I was not prepared to face the compromises that they did. [Cristian, engineer, RO-> London in 2001]

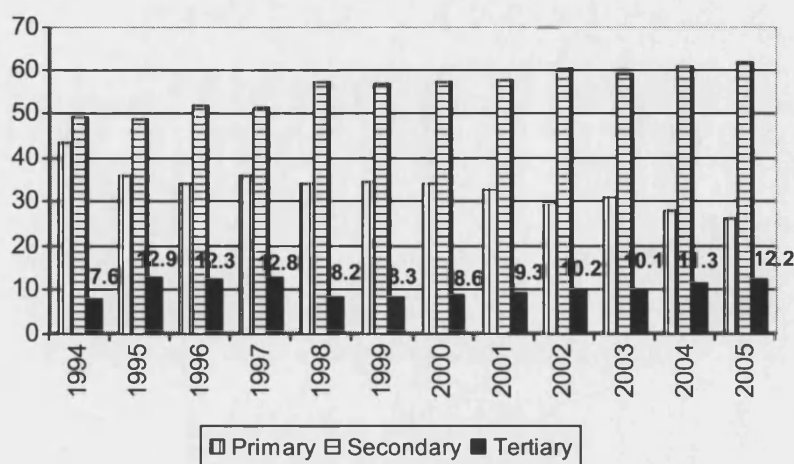
Similarly, the labour market restructuring, especially during the 1990s, broke the careers of people with occupations favoured by the communist regime. As the example of Aurel, a former mining engineer, shows, these people suddenly faced a situation when their only options were to change their profile or to seek employment abroad:

I worked as mining engineer for a while, but after they closed some mines [in the early 1990s], there were no more possibilities for me, I had to change my profile. I had a pub for couple of years, but it was not a profitable business. Then I came here on a self-employed visa as a plasterer. [Aurel, self-employed, RO-> London in 2004]

Overall, the absorption capacity of the national labour markets represents significant problems for graduates and experienced professionals alike, especially those expecting to obtain service-class jobs that suits their formal education and training. In general, at the time of my research, neither the Hungarian nor the Romanian labour markets looked attractive (nevertheless, the Hungarian one was perceived as slightly better off, at least during the 1990s). As showed in Chapter 2, both countries' population is shrinking and ageing, both have relatively high rates of young out-migration, and in both countries the labour force participation rate is middling⁴; all these point towards a reduced economically active population, within which the share of the tertiary educated is lower than the share of the tertiary educated within the overall population.

⁴ The labour force participation (the labour force as a percentage of the total population) of those aged 15–64 fell in Romania from 67% in 1990 through a peak of almost 73% in 1995 to 58% in 2003. In Hungary, the fall was less abrupt: the labour force participation rate fell from 66% in 1990 to 60% in 2002 (Eurostat 2007). The decrease was more remarkable for men (falling from 79% in Romania and 75% in Hungary to 67% in both countries) than for women (registering a decline from 66% in Romania to 50%, and from 57% in Hungary to 53%).

Figure 6: Romanian labour force aged 15 and over, percentage by level of education attainment (1994–2005)



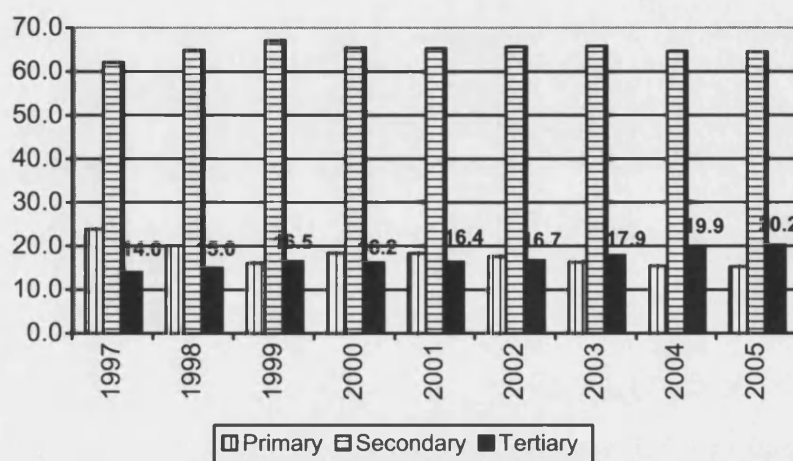
Source: Data for 1994–1996 (INSSE 2004); for 1997–2005 (Eurostat 2007)

During the 1990s third level education expanded significantly in Hungary and Romania. For instance, between 1991 and 2002 the average yearly growth in both student enrolment and graduations was 12–13% in Romania and 6–10% in Hungary. However, the relatively constant share of economically active graduates in Romania and the slightly increasing proportion in Hungary raises the question of where the university graduates disappeared. With the labour market exit of those tertiary educated, aged 65 and more, with the sharply raising student enrolment numbers, the share of university graduates within the labour force should theoretically also grow. The almost constant share suggests that during this period – next to the growing number of ‘educated unemployed’⁵ – a significant outflow of university graduates from the labour markets

⁵ In Romania, in 1991, 2.4% of all unemployed held a tertiary degree; this percentage decreased gradually to 1.1% in 1996, and has increased again ever since, being 4.2% in 2004 (Eurostat 2007). The rise in educated unemployment, the number of those ‘who have got what used to be considered valid visas into the modern sector, but have not found a suitable niche to settle in [...] leads to the paradoxical situation [...] that the worse the educated unemployment situation gets and the more useless educational situation becomes, the stronger grows the pressure for an expansion of educational facilities’ (Dore 1976:4). In Hungary, the unemployment rate of the tertiary educated during the 1990s was usually below 2% (Eurostat 2007). Nevertheless, from 2004 a number of headlines about the growing graduate unemployment began to appear (e.g. ‘More and more graduates are unemployed: worrying worsening of fresh graduates’ employment chances’ *Világ gazdaság* 8/07/2004). In 2005, the Hungarian educated unemployment rate was 2.6%.

took place. This adds further evidence to Chapter 2 which highlighted the higher propensity for emigration of people with tertiary educational degrees.

Figure 7: Hungarian labour force aged 15 and over, percentage by level of educational attainment (1997–2005)



Source: (Eurostat 2007)

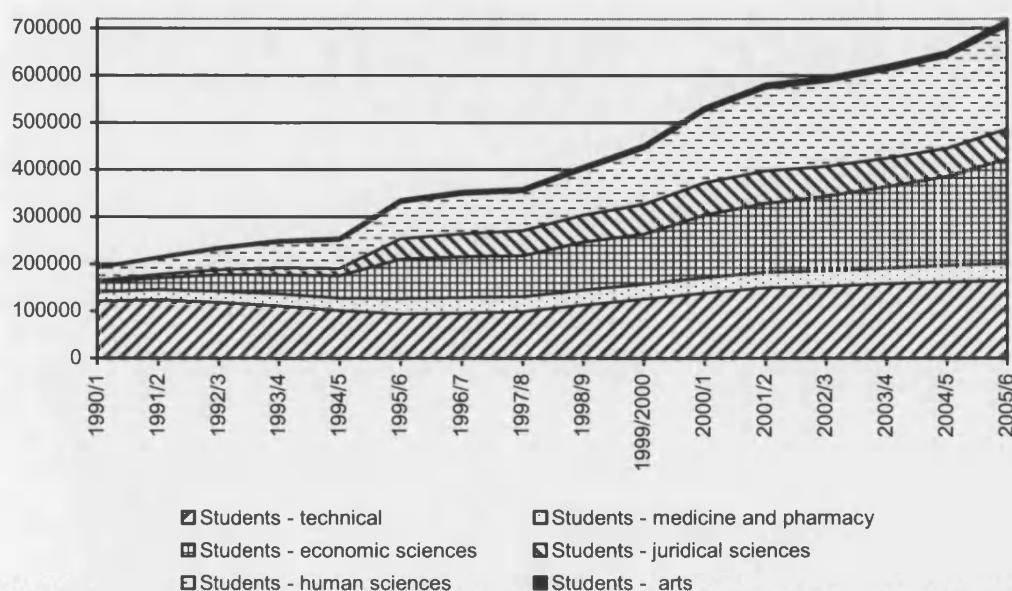
The low domestic demand for professionals' and graduates' services represents a bigger structural problem in the light of increased internal supply of graduates. From the early 1990s virtually all East European tertiary educational systems were re-structured, increasing the tertiary enrolment rates, offering more diverse specialisation and a greater variance between the qualities of offered training than during the communist era. In Ireland, the expansion of the tertiary education, unmatched with a local demand for graduates' services, contributed during the 1980s to the emigration of the 48% of engineering graduates whose internationally marketable qualifications enabled them to take up employment abroad (Wickham 1992). The Irish case provided evidence of the consequences of the mismatch between 'manpower planning, political rhetoric and the realities of a truncated and peripheral economy that cannot offer meaningful employment opportunities to the young people in whom it has invested political and educational capital' (Shuttleworth 1997:310). In the post-1989 period, in Hungary and Romania the main higher education policy goal was to increase the number of university-educated people. The expansion of tertiary education during the 1990s was similar to Ireland: more a government-directed modernisation policy than a labour market demand-led one. Policy-makers stressed that the availability of educated labour

would be a means of achieving economic competitiveness and attracting the ‘right kind’ of multinational companies to Eastern Europe.

Also, Eastern European economies lagged behind the majority of developed countries’ ratio of tertiary-educated nationals within the active labour force. With about one-third of developed countries’ labour force having tertiary education, the average of 10% of Romania or 17% of Hungary for the 1990s made post-communist governments constantly focus on the expansion of the tertiary education. Whereas in 1990 157,838 students were enrolled in various Romanian public universities, in 2005/6 more than four times more – 716,464 students – attended public or private universities (see Figure 8). The yearly graduation numbers grew at the same pace, from 25,927 graduates in 1991 to 108,475 in 2005 (Erdei and Papp 2001; INSSE 2007). In Hungary, in 1990 only 108,376 students were enrolled in university courses, in 2005 the figure was four times that number: 421,520. Similarly to Romania, the yearly graduation numbers in Hungary also grew, but less explosively: from 24,103 in 1991 to 53,514 in 2005 (KSH 2006).⁶

⁶ The increase in university enrolment rates led to the massification of tertiary education, often detrimental to the quality of provided training. Evaluating the higher education system in Romania after 1990, Nicolescu (2003) found that the decreasing quality of training provided was driven mainly by private universities that inflated the number of students and provided low quality education. She found that there was a clear mismatch between the quantity of university graduates (which was higher than what the national labour market can absorb) and the quality of those graduates (which was lower than what employers would expect).

Figure 8: Student enrolment by specialisation in Romania (1990–2006)



Source: Data based on (INSSE 2005, 2007)

Overall, in the early 1990s there was a huge demand in Hungary and Romania for a well-educated workforce able to pursue the economic and political changes demanded by the post-communist transformation from a planned to market economy. Nevertheless, the educated labour force which the universities produced ten years ago was quickly absorbed by the domestic labour markets. For the 2000s, the internal demand has changed in both absorption and compositions. The domestic labour markets proved to be too small and not dynamic and varied enough to be able to absorb yearly 50,000 university graduates of Hungary and more than 100,000 of Romania.

Currently, 75% of Romanian students study in public universities (which are generally considered to deliver a better quality education than private universities). Almost 80% of all courses are full-time, but there is a growing number of part-time and long-distance courses. The overwhelmingly high number of engineering and technical programmes of the pre-1989 higher educational system have gradually been counterbalanced with a greater variety of degree courses, but economists and human scientists still constitute

the majority of graduates, adding yearly about 30,000 and 35,000 respectively to the labour supply (INSSE 2007).

Next to the universal tendency of feminisation,⁷ in Hungary the re-organisation of the tertiary education was similar to that in Romania. Governments increased the tertiary enrolment numbers by diversifying the educational offer: next to the university level degrees that involve five years' study, the so called 'college' degrees of three years were introduced and gained significant popularity. In 1990 about half of the student body (54,899 people) was studying for a 'college' degree; this ratio grew to almost two-thirds (240,297) in 2005 (KSH 2006). Full-time studies represent about 60% of all degree studies, though alternative part-time studies are becoming significantly more popular. Similar to Romania, the degree programmes were diversified; the popularity of the pre-1989 technical and engineering degrees has been overtaken by degree courses in human and economic sciences. The majority of the graduates in the last years (151,099 students in human, 90,791 in economic sciences in 2005, making up 36% and 22% of the student body, respectively) have been on these courses; they add yearly about 15,000 economists and social scientists to the labour supply (KSH 2006). Even if there are articles on the growing share of these graduates not finding suitable employment after graduation (e.g. *Világgazdaság* 08/07/2004), researchers still argue that overall there is not yet an over-supply of economists and social scientists in Hungary (Kertesi and Varga 2005).

Before 1989 the increased enrolment rates in technical sciences were artificially fed by restricting the entry to other specialisations, especially social science and humanities. Some of my interviewees have chosen engineering because of its objective, number-based, minimally politicised nature. Others, had no choice of entering other disciplines, either because of their 'unhealthy' – that is not working class – origin or because they were not affiliated to the Party. The examples of Dan, a university lecturer from Romania, and László, a senior manager from Hungary, illustrate this:

I entered agricultural mechanics in 1989. [...] If I had had the chance, I would have chosen sociology or political sciences. But since I hadn't had the chance, I did what all the others did, engineering [...] History would have been an option, but I could not go there. On the one hand, for the entrance examination⁸ [...] we should have read all the documents of the

⁷ In 1990 in Romania 52.8% of the students were male; in 2001 their percentage shrunk to 45.6%; in Hungary male students represented 43.3% of the student body in 2003 (INSSE 2005; KSH 2006).

⁸ In Hungary and Romania most university places are allocated based on grades received at entrance examinations; points are given for written examinations and more recently for certain grades obtained in

[Romanian Communist] Party, we should have known history. I mean, *their* version of history. I didn't have the stomach for that. On the other hand, I could not go because my father was kicked out of the Party and my mother... in fact, my grandfather was *kulak*, hence I didn't have a 'healthy' family background. So what did I remain with?! To become engineer. There wasn't anything else. [Dan, lecturer, RO-> London in 1997]

I graduated from a technological university [during the 1980s]. This was mainly for political reasons. In those times, during communism, you could not become a lawyer, especially not with my [upper class] family background. [László, senior manager, HU-> London in 2000]

As Dan and László's example show, those Hungarians and Romanians in London who graduated before 1989 often became engineers less by choice but because there were no other possibilities for them. This is certainly one explanation for the high enrolment of Hungarians and Romanian in postgraduate degrees of their choice, often leading to re-specialisation, in Britain.

After the post-1989 reforms of the tertiary education in Hungary and Romania the degree courses were diversified, the curricula were rewritten; this meant that after 1989 all those who wanted to had the option of studying a degree subject of their interest. Romanian national statistics analyse the higher education specialisations across six broad categories: technical, human medicine and pharmacy, economic sciences, juridical science, human sciences and arts. The statistics show that after 1989 in Romania the popularity of technical degrees fell by more than 20% by 1999. After 2000, the aggregated category of human sciences became most popular: the number of philology students grew by 820%; the number studying history, archaeology, philosophy, sociology and media studies grew by 740%; the number studying geography and physical education grew by 1,600%; and the number studying pedagogy and psychology grew by 1,240%. Yet, the number of university graduates was growing not only because of the increased university enrolment numbers and greater variety of degree subjects, but also because of emerging credentialism in Eastern Europe:

[In 2000] I [graduated from business and] specialised in advertising because I knew there is a lot of money in advertising. Anyway, you think about the financial side as well... about the future, so to say. What is written on your graduation diploma doesn't really matter anyway. Nowadays it's having the certificate that matters. [Mariana, au-pair, RO->London in 2004]

I figured out that next to [working as a journalist] I will graduate from a college. [...]. I wanted to get a certificate only. But then I wanted to get a certificate in something I was interested in and which, as I thought, it is possible to build on. So communication was the specialisation I was interested in, because it had bits of political science, psychology,

high school, during 'baccalaureate', or both, as well as for having a foreign language certificate (in Hungary only).

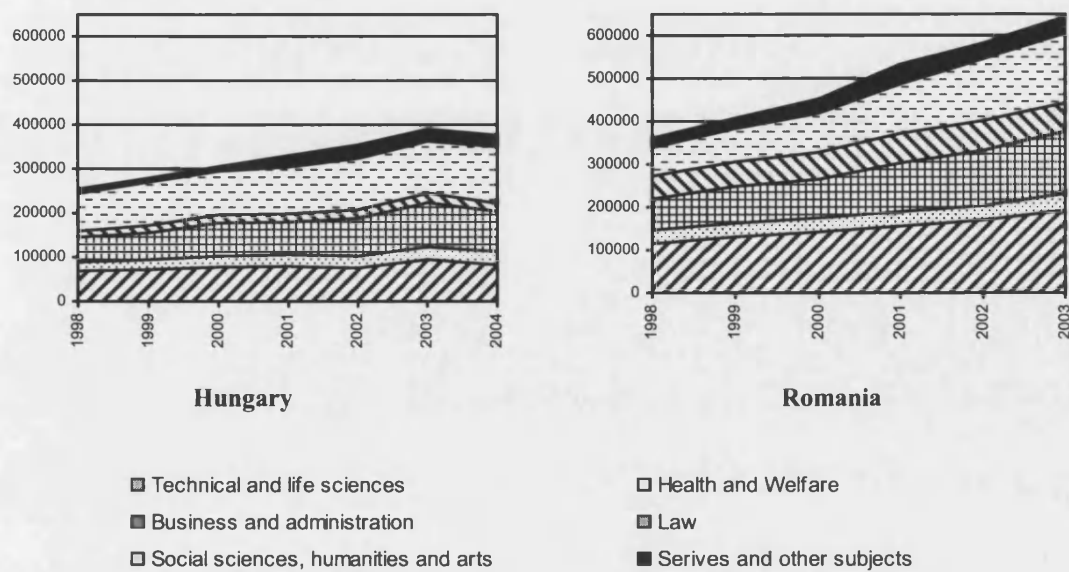
sociology, media economics and arts. But it was also very broad, so it gave me flexibility. So since I thought I want a paper only, then why not this one?! [Árpád, journalist, HU-> London in 2000]

Emerging credentialism, leading to what Dore (1976) called ‘qualification inflation’ (a steady fall in the job-getting value of any particular level of qualification) and ‘qualification escalation’ (a steady rise in the qualification required for any particular job) is characteristics of 1990s Eastern Europe. On the one hand, after 1989 students were choosing non-technical degrees because it was relatively easy to obtain a diploma from subjects considered ‘easy and interesting’ such as social sciences, humanities or arts which lead to qualification inflation. On the other hand, after the early 1990s, many students have chosen to study not only human sciences but also the economics and business administration as well as juridical degrees. These were the degrees of ‘useful education’ (Wickham 1992), as perceived by the students, since they believed that the post-communist economic transformations generate a huge demand for Western-style educated economists and lawyers; and that these degrees offer transferable thus useful knowledge. Policy-makers believed as well that those degrees were ‘useful’ as they are needed for the growth and competitiveness of the national economy:

It was a trendy matter at that time [in 1996]. Everybody wanted to be an economist... My parents wouldn't let me study English because they thought such a career was not a very good idea from material point of view. [Rodica, production operative, RO->London in 2003]

It was quite a serious family pressure on me [in 1994] to go to study economics. [...] Because it delivers a very transferable knowledge [...] it is possible to go with it abroad. [...] So I was directed towards economics: it will be good for me, it will be good for lots of stuff. And, to be honest, I also saw that financially. I mean, you know, I always had this travel bug in me, so economics was good because I could travel with it and it also pays good money. [Ottó, analyst, HU-> London in 2000]

Almost every university in Eastern Europe now offers at least one economic science degree, nevertheless, of various quality. Students regard these degrees as ‘the’ diploma which guarantees employment after graduation (compared with the human sciences which – as the popular anecdote goes – are believed to produce the majority of highly educated unemployed). As Figure 9 shows, the number of students enrolled in economic sciences grew between 1990 and 2004 in Romania by 862%, for instance, but just half as quickly as those enrolled in juridical sciences (1,525%).

Figure 9: Student enrolment by specialisation in Hungary and Romania (1998–2003)

Source: Data based on (KSH 2005a; Eurostat 2007)

The structural changes within the Hungarian and Romanian labour market and tertiary education were closely linked with the educational profile and motivations of my interviewees. The two major fields of study among my online respondents were economics and business administration (42%, nearly one-third with MBA degrees) and technical and life sciences (28%, more than one-quarter with PhD degrees).⁹ First, I have found significant association between the fields of study and the countries of birth: Hungarian respondents were more likely to study business and economics, whereas Romanian respondents were more likely to study technical and life sciences. Then I realised that there is a significant difference in respondents' age across their field of studies: those who graduated in technical and life sciences are significantly older (37) than business or law (32), or social science graduates (30), pointing towards the socio-historical embeddedness of education choices. Professionals' and graduates' educational profile mirrors the tertiary educational policies of their home countries at the moment when they went to university. Hence, the association between fields of study and country of birth is deceiving. As showed in Chapter 3, simply because the Romanian respondents are on average slightly older than the Hungarian respondents, their educational profile

⁹ A further 20% of respondents have degrees in social sciences, humanities or arts, 5% studied law, 4% medical sciences, and 1% had other degrees.

mirrors the state of tertiary education in Romania from the mid-1980s and not only from the early 1990s, as is the case for the Hungarian respondents. Nevertheless, their frustrations with size, structure and demand on their domestic labour market is current.

4.2.4 The 'system' at home

I have mentioned previously that there was an additional structural determinant for my interviewees' search for employment abroad, reference toward which I have not found in the literature on professional and graduate mobility. This particular determinant is related to what all interviewees described, often in an irritated tone, as the 'system', the 'mentality' or the 'attitudes' at home:

I wanted to leave the country, because I hated the system. And looking at what is happening now in Romania, the misery is even bigger. Not necessarily from an economic perspective, but the political dirtiness and the corruption is increasing. [Cristian, engineer, RO->London in 2001]

The descriptions of the 'system' were nearly as many as interviewees. Yet, three main characteristics of the Hungarian and Romanian 'system' emerged that structurally contributed to professionals' and graduate' decisions to look for employment abroad. These were: bureaucracy, corruption and nepotism.¹⁰

The first construct of the 'system' is the bureaucracy of everyday life, the social organisation of problem-solving, generally in the public but also in the private sector. Many authors (e.g. Lipton, Sachs et al. 1990; Gabrielian 1999) have noted that the post-communist governments of East European countries inherited outmoded and dysfunctional bureaucracies created and appointed by the communist party, whose structure and personnel changed only gradually over time: 'There are tens, if not hundreds, of thousands of officials whose professional experience lies in a lifetime of

¹⁰ It is interesting to note that these three characteristics of the 'system' are reflections within people's social lives of those categories of business risk where Romania – and to lesser extent Hungary – scores highly within the Economist Intelligence Unit's business operations risk model (see EIU 2008): political inefficacy, and legal and regulatory risks. The 'political inefficacy' risk category contains scores for the quality of the bureaucracy, pervasiveness of red tape, corruption and human rights: Romania scores 68, Hungary 36 and the UK 18. The 'legal and regulatory risks' category contains ratings on the fairness of the judicial process, unfair competitive practices, price controls and the integrity of accounting practices. Here Romania scores 50, Hungary 28, Britain 3. Overall, 0 means low risk, 100 high risk.

bureaucratic planning of economic life, with close links to party-appointed managers in the state enterprises.’ One of the major problems during the transition period in Eastern Europe was to reform and restructure these bureaucracies, changing their status and ways of functioning. Gabrielian (1999) suggests that the whole process of the transformation of communist bureaucracies should be viewed and discussed as an organic part of systemic transformation in Eastern Europe. Hence, East Europeans’ discontent with the bureaucratic systems is the expression of dissatisfaction with the direction or speed of the overall systemic transformation at home.

My interviewees could not agree more. Almost all stressed that paying for a utility bill, obtaining an approval from an office, a stamp or a signature from a state administrator, or even a bank statement is a complex task at home. Ferenc, an architect became annoyed with these processes when he realised he spends more time queuing for various authorisations than concentrating on his own work:

Working on my own account, 60–70% of my day passed by resolving various issues with official authorities or banks. Public or private, it is the same. So during that time it became clear [to me] that with the first possibility I will go, because I cannot deal with this system any more. I will return only when I will have enough money not to worry about all these issues; when I can employ somebody to do this bureaucratic marathon for me. [Ferenc, architect, HU->London in 2004]

It does not matter whether the interviewee had experienced bureaucracy in Hungary or in Romania. Marin, a former lawyer in Romania, complains about the very same issues:

If I went to pay my electricity bill, I was going crazy. I went to the bank, I stood in huge queues and all this consumed me psychologically. This convinced me that I have to leave this country since I cannot deal with this anymore. At one point I had to pay seven bills in a month and I had to allocate one day for each bill because of all this standing in queues. In this moment I said, that’s enough [...] the children I would like to have surely do not deserve this. [Marin, manager, RO->London in 2004]

Another construct of the ‘system’ is corruption. Even if it is undeniable that corruption is a particular social interaction, and generally is used in the ‘misuse of public power for private gain’ sense, there is no well-established definition of it. All corruption is not the same, as Karklins (2005) notes; nevertheless the word is used in common language for everything that is not right, that is impure, and that leads to decay and depravity.¹¹ She pointed out that everyone in the post-communist region is convinced that corruption is widespread, and they all have experiences to share, whether experienced directly, heard

¹¹ Experts generally differentiate between administrative corruption (bribes to bureaucrats to alter the implementation of rules and regulations), state capture (the ‘purchase’ of laws and policies by corporations) and public procurement kickbacks (payments made to secure procurement contracts).

from others or read about in the media.¹² This perception is backed by various measures of corruption. According to Transparency International's (2006) Corruption Perceptions Index (CPI),¹³ compiled from surveys with businessmen and country experts, out of 163 countries worldwide, Hungary is in the top quarter and Romania in the top half of the corruption scale. Topping the scale in 2006, the least corrupt country in the world was Finland (CPI score 9.6); Britain's CPI score was 8.6 and the EU average score was 7; compared with this, Hungary's CPI score in 2006 was 5.2 (41st rank) and Romania's score was 3.1 (84th rank). Corruption was generally a biggest concern of my Romanian respondents than of Hungarian ones, which is supported by country analysts. In recent draft reports towards EU institutions analysts argue that 'instead of progress in the fight against high-level corruption, Romania is regressing on all fronts... if Romanian anti-corruption effort keeps evaporating at the present pace, in an estimated six months' time Romania will be back where it was in 2003.' (*The Economist* 05/07/2008)

Respondents generally pointed out that bureaucracy and corruption go hand in hand in Eastern Europe: administrative bribes are paid in order to make the bureaucratic systems work; and inefficient bureaucracy sustains corruption by the preferential treatment of those willing to comply with the ways of informal problem-solving, at both corporate and individual levels. For László, a senior manager in Hungary, to be able to work in a business environment with no or little corruption was essential:

In Hungary the bigger part of the business is still penetrated with corruption, and I go from this as far as possible. But London is not penetrated with corruption and the business of a European, international company should be practically corruption-free. Yet, the Hungarian business development does not work without corruption. This was the decisive push factor for me. [László, senior manager, HU->London in 2000]

Again, no distinction can be made between the two sending countries. Corruption is not only a problem, as László described, at higher levels of business, but it also limits access to the labour market. Marin, a law graduate, was overwhelmed by the 'bribe rates' he was expected to pay in order to enter the magistrate or the bar:

¹² There are many excellent studies written on East European corruption (such as Miller, Grødeland et al. 2001; Karklins 2005); they all note that although corruption in the post-communist region has similarities to corruption found in other parts of the world, it also has specific institutional and political cultural roots and expressions.

¹³ The Corruption Perceptions Index (CPI) ranges from 0 to 10, where 0 means totally corrupt, 10 totally clean (a country with no corruption). Transparency International (2006) notes that there is a strong correlation between corruption and poverty, with a concentration of impoverished states at the bottom of the ranking.

When I graduated with a law degree, I very much regretted that I opted for law. I tried to practise either as a lawyer or as a solicitor, but it was impossible to start as a trainee because all offices asked for colossal bribes. I think, the sums even now are the same: 10,000 USD for magistrate, 6,000 USD for bar. [Marin, manager, RO->London in 2004]

Authors suggest that the nature of corruption in Eastern Europe is particular. Sajó (1998), for instance, argues that corruption in Eastern Europe is structural in the sense that it is part and parcel of the region's emerging clientelistic social structures. An analysis of corruption cannot be divorced from an understanding of clientelism and nepotism, common social phenomena in emerging democracies. Nevertheless, corruption and clientelism should be treated as different social phenomena: the first is an individual social behaviour (which may or may not become a mass phenomenon if individuals opt to be corrupt); clientelism is a form of social organisation. Sajó argues that post-communist clientelism presupposes corruption (and he calls this 'clientelist corruption', a form of structural corruption); this implies that corruption has become a foundation stone of Eastern Europe's emerging clientelist social structure.

With this in mind it is less surprising that the third construct of the 'system' is clientelism and nepotism: the power of various social networks and interest circles that spins through politics and labour markets, and creates rules for the benefit of the insiders, closing out those outsiders. This long-established social practice in Eastern Europe has its roots in the communist nomenclature; during state socialism relying on social ties was often the only way to get not only better jobs but also certain consumer goods. Both clientelism and nepotism are seen as networks of social relations where personal loyalty to the patron prevails against the modern alternatives of market relations, democratic decision-making, and professionalism in public bureaucracies. The East European 'clientelist corruption' (Sajó 1998) has become a stable form of social organisation.

Dan, a lecturer, points out that clientelism and nepotism appear as a problem only if one is an outsider of the networks of the powerful and influential:

In Romania it is very important who your father is, who your mother is, where does your father work... oh! why didn't you say so?!... All these are normal in Romania, that's no secret. [...] In Romania, it is normal to make use of all the ties you have, at all available sources of influence. But if you don't have ties, the system stops working for you. [...] I left because I never trusted that the market [at home] operates in a way that was favourable to me. [Dan, lecturer, RO->London in 1997]

As other interviewees repeatedly used Dan's argument, one can assume that the young professionals and graduates who apply for jobs abroad generally lack the social capital

at home that makes them system-insiders; moreover, as many of them are career starters, they also lack substantial amounts of economic capital. The only way these university-educated individuals can imagine overcoming the favouritist, counter-selective 'system' at home is by requesting a merit-based return for their human capital that outbalances their lack of economic and social capital. Nevertheless, old boys' network types of interest circles rarely support merit-based advancements, and never have an objective and formal strategy of operation:

In Hungary, at the beginning of your career the question is not what you want to do or what you know, but who you know. At home, all better positions are obtained by a *Somebody*, if you are a nobody than it is pretty difficult. I think I can be a very diligent, hard working person, but I also like my performance to be acknowledged. If I am good, I should get a good job. I thought, I have bigger chances in London than in Hungary for obtaining this. [Arnold, investment banker, HU-> London in 1999]

The major employment-related consequence of the network-controlled access to labour markets is exclusion of the outsiders. Networks exclude the entry of career-starters, monopolise certain areas of specialisation and limit the career prospects of outsider professionals. Graduates such as Claudia cannot obtain certain jobs, because they cannot find out about job openings:

I'd like to work in politics, but I find not only that I cannot get a job, I cannot even find out about a single job opening in my area of interest. There are people I know who work in politics who struggled to build their networks and then they made it; and they say that it is not that difficult [to build your network]. If you enter the system, you can find something. But I cannot even approach it, it's bloody difficult. [Claudia, postgraduate student and part-time teaching assistant, RO->London in 2002]

Not only graduate career-starters, but also mid-career professionals who never managed to form direct links to any professional network are excluded from labour market segments tainted by favouritism. The career of Albert, a physician, was put on hold by the tightly knit network at his workplace:

I wanted to be an obstetrician. [...] It is a highly demanded specialisation, there aren't many openings. Of course, one needs the right relations in order to gain entry, otherwise your name is put on a waiting list, and the waiting list never recedes. [...] This was my case too: I ended up being medical researcher. [...] But I was never close enough to the fire, so I never had money for research. Only a few from the institute were members of that small circle around the director [which received research grants]. If somebody wanted to do something, then you had to beg him for money. [...] I hated it. [Albert, physician, HU-> London in 1990]

To overcome the exclusionary nature of the network-controlled 'system', the professionals and graduates aim to look for employment on labour markets that they perceive as meritocratic. As they see it, in a meritocratic system, higher levels of human capital can outbalance lower levels of social and economic capital and can ultimately be

transformed to economic benefits. In a nepotistic system, however, higher human capital cannot compensate for the lack of social capital and has no economic returns:

At home too many things depend on relations. For instance, I could have never done at home [what I did in London] that I sent a recording [of my music], without knowing anybody and they accept me! This in Budapest is simply unimaginable. [...] I became fed up. After a while one wishes to work in an open system. Where people appreciate what you know. Where things work correctly, and nobody mixes in personal issues into professional lives. [Ilona, musician, HU-> London in 2003]

Just as human capital has no economic returns, in a nepotistic system staff is not selected according to merit but according to network position. István, an investment banker, had an example about the change of the board of a major Hungarian bank which illustrates this:

With the change of the board only my boss stayed. All the others had to go. [...] Company politics. The new board has chosen its own people and they were professionally very weak. Imagine, directors of international departments within the bank who do not speak a word in English! They go with interpreters to [international] meetings. The standard of work is terribly low now. I am glad that I left. [István, investment banker, HU->London in 2002]

In order to maintain the closely knit character of these interest circles, the exclusion of outsiders is also a social practice of system-reproduction. As Júlia, a journalist, describes, this is a strategy of counter-selection:

How professionally you work interests zero percent [of the employers]. Nobody cares. [...] What is relevant? That's always changing. It is relevant in whose interest it is that they employ you. What kind of social ties you have. Whose girl you are. [...] It is also relevant that you shouldn't be too good, because then you endanger the success and the name of the mediocre but influential people. This is absolutely counter-selection. [...] Oh, and the more stupid you are, the better, because the less you see beyond things and the more you do what you are told to do. [Júlia, journalist, HU->London in 2003]

At many instances the interviewees expressed their doubts regarding the change of this system, which they believed would take many years. Even if at the beginning of the 1990s some still had hopes of change, in 2005, at the time of the interviews, few did. Réka from Hungary and Aurel from Romania were similarly sceptical:

In the mid-1990s nobody spoke about [Hungary and the] EU enlargement yet... it was not known, when it will happen, if it will happen. But we were told that when we'll be in the EU then these things will change. *A matter of couple of years only...* But I don't have 'couple of years' any more! [Réka, manager, HU->London in 2001]

Theoretically I could have stayed in Romania to wait for the changes to happen. But I waited enough. The transition is a never-ending process at home. Now I am 41 and I don't have any time left for waiting. [Aurel, self-employed, RO->London in 2004]

Overall, the system on which the Hungarian and Romanian professionals and graduates turn their back is, in their eyes, a system impregnated with bureaucracy, corruption, clientelism and nepotism. These social behaviours and social organisations block their

access to the labour market, and form glass ceilings to their careers. Sergiu, an architect, pointed out that the dependency on this system requires too many compromises: conventionalism, unprofessionalism, attachment to the principles of favouritism, and lack of meritocracy:

I left because I depended too much on that system that asked from me far too much for nothing in exchange. To do this and that, to go here and there, to follow the slow and unrewarding careers that everybody follows. It is impossible to stay outside the system, to take your own initiative. If you try that, the whole country stares at you with that funny who-the-hell-do-you-believe-you-are look. [Sergiu, lecturer, RO->London in 1998]

Social networks are the most important constructs of this perceived system. Respondents believed they were negatively discriminated against because of their lack of suitable social capital. The network-controlled labour markets do not work for them: they exclude newcomers from entry-level jobs and professionals from advancing in their careers. In fact, the exclusionary power of the social networks at home is one of the main determinants of why the highly qualified seek employment in meritocratic systems, in which their human capital can offer higher economic returns, despite their lack of economic and social capital.

4.3 East European deprivation: absolute or relative?

Referring to people with high human capital, Portes (1976) argued that ‘the greater the international differentials in income and prestige, the smaller the internal labour demand for professionals, the best trained, less encumbered, and more encouraged to leave the person is, the greater the probability of emigration’. This holds also for Hungarian and Romanian professionals and graduates. In the previous sections I have shown that their dominant motivations and determinants to engage in mobility and to look for employment abroad are:

- expectations regarding income, occupational status and social standing, suitable to formal education and unfulfilled at home, especially the East–West gap in income (graduates) and expectations regarding ‘global wages’ and East–West gap in occupational prestige and the desire to work at the core (professionals);

- reference group orientation: the comparison of own position towards a outer, global group of people with similar profession ('cosmopolitans'), or towards an inner, home-based group of people of similar age ('home-oriented' East Europeans);
- the structure of the domestic labour market and its disconnection from the educational policies: small professional labour markets in size, volume and complexity which cannot offer challenging jobs and career development opportunities (especially in Romania but also in Hungary); supply and demand mismatch on the labour market in terms of volumes and profiles (oversupply of graduates), and quality (good universities offer Western-style training but employers cannot offer jobs where graduates can apply the acquired skills);
- the practices on the labour market and beyond: East Europeans' frustrations derived from a home 'system' perceived as bureaucratic, corrupt and nepotistic which limits the free access to or upward mobility on the labour market, sustains favouritism and counter-selection, rewards social rather than human capital, and is perceived as a 'system' unlikely to change.

Listing the determinants of mobility is, however less straightforward than it seems. Many interviewees pointed out that some characteristics of the social context back home become determinants of their mobility only when they found out about the existence of better or more advantageous circumstances elsewhere. As Árpád, a Hungarian journalist was phrasing it, 'the possibility of being able to work abroad was not a plus for me, but a minus that I couldn't achieve at home'. Being exposed to other systems as well (perhaps more exposed than their less-educated co-nationals), most of my interviewees perceived their economic or social positions at home as deprived, their mobility being driven by this perceived deprivation relative to what they would expect as a 'normal' economic and social position for a person of their level of education, age, occupation, or work experience. Csaba, seeking exposure to other systems illustrated this with an example:

In Hungary, people generally say that the Pick salami is the best and they are not willing to eat anything else. But they have no idea that there might be even better salamis out there. I was in a similar situation: I perceived the Hungarian system as good; nevertheless, I also had the curiosity to find out how it is elsewhere. [...] There are better systems than the Hungarian. [Csaba, investment manager, HU->London in 1997]

The structural changes in Eastern Europe contributed to the raise in these expectations by encouraging tertiary education and by simply allowing people to travel and to see different systems; yet, domestic labour market could not keep up with fulfilling these

ever increasing expectations. Hence, most of my interviewees, similarly to what Portes and Rumbaut (1996) found, are mobile because of their experience of relative deprivation: the gap between their expectations and the means to fulfil them at home. One could argue that this the continuation of the East European 'compensation migration' of the early 1990s (see Sandu 2005); equally, one could say, that this movement is little different from the determinants of mobility of other university-educated around the world (see Portes 1976; Mahroum 2000), with one exception. East European professionals' expectations seem to reach out to include the practices on the labour market (and, indeed, beyond), not only income and occupational prestige, opportunities and careers, or the interplay between supply and demand.

Moreover, professionals' and graduates' experience of relative deprivation is not only structurally but also socially embedded.¹⁴ While they all perceive a gap between their expectations and the means to fulfil them at home, it is their dominant reference group which sets the agenda for mobility. The 'cosmopolitan' professionals and graduates look for role models within the global occupational community and for social mobility patterns towards the 'peak of the market' within it; the 'home-oriented' professionals and graduates look for models within their cohort at home and choose mobility patterns which proved to be successful in overcoming their perception of relative deprivation. I believe that these two types of behaviours define two different kinds of East European professionals and graduates, even if all are university educated.

On the one hand, East European 'cosmopolitans' believe that their human capital is competitive at a global scale, must be fully transferable across borders, and they should be able to derive economic benefits and occupational prestige from it. They decide to look for employment abroad when they realise that their human capital cannot guarantee economic and social advancement at home, at least not at the pace they see it is possible elsewhere. Hungary and Romania represent for them markets where glass-ceilings can be quickly reached either because of their small size, lack of complexity or because of

¹⁴ Following the two dominant economic sociological approaches to embeddedness, I differentiate between structural and social embeddedness. On the one hand, Portes emphasized the importance of 'structural embeddedness' by highlighting that individual migrant behaviour is dependent on the overall social structure and social institutions of sending and receiving countries (see e.g. Portes 1976). On the other hand, also Granovetter (1985) contributed with his relational approach to the study of embeddedness, focusing on the impact of social relations on individuals' economic actions. By differentiating between these two kinds of embeddedness I acknowledge both perspectives value for the study of the social world.

the bureaucratic, corrupt and nepotistic practices in place (or, typically, both). The cosmopolitan-minded East Europeans are similar to Favell's 'free movers' (2006b) or 'Eurostars' (2008) who typically make individual decisions to migrate for professional reasons, and whose positions are often unfixed and unpredictable in nature.

On the other hand, the 'home-oriented' East Europeans are in Rosenblum's terms 'average individuals with some technical training who find themselves in a tight global labour market' (2001:375). They seek economic return from migration and engage in East–West mobility mainly because of income differentials; yet, they are equally keen to learn new skills, have new experiences and improve their language skills. Often they are the victims of increased tertiary enrolment rates unmatched with domestic labour demand. Because of increasing graduate unemployment rates, it is difficult for them to get jobs at home, or if they can, their salaries are not high enough to allow them a decent level of subsistence. The competitive labour market situation pushes them into borderline specialisations or less prestigious jobs altogether, making them less committed to their formal training compared to the 'cosmopolitans'. Since they are used to needing to accept jobs outside their fields of specialisation, the full transfer of their human capital is not a pre-requisite of their mobility. Yet, they are happy to trade off low-skilled work and poor conditions for other benefits such as learning English, often because they see their employment as temporary (see also Anderson, Ruhs et al. 2006).

4.4 Summary and discussion

In this chapter I showed that Hungarian and Romanian professionals' and graduates' reasons and determinants of employment search abroad is dependent on a combination rather than a list of structurally embedded factors. While I have found some evidence for these individuals' utility maximisation endeavour (giving thus credit to human capital theory), over the chapter I have argued that there is more to mobility decisions than East–West income differentials.

In addition to their attempt to maximise their income abroad (a weaker but still important driver of mobility, compared to the 1990s), I have found that East European professionals and graduates are motivated also by East–West differentials in

occupational status and prestige. In this sense their decisions are structurally and socially embedded, emphasising that recent migration intentions and behaviour in Eastern Europe are significantly related to both individual factors, labour market structures and practices as well as the problems of the transition to democracy (see also Sandu and De Jong 1996). The most important structural determinants to mobility I have found are: the Hungarian and Romanian labour markets cannot offer professionals' and graduates' those kinds of jobs and wages that they expect; small market sizes limit their career development opportunities, push them into borderline specialisations, or, worse, do both. Moreover, the third-level educational boom of the past 15 years was not fully correlated with the demand on the labour market for professionals' services, leading to qualification inflation and increasing graduate unemployment, especially in Romania. All this is happening on the surface of a 'system' that my interviewees perceived as bureaucratic, corrupt and nepotistic, both in Hungary and Romania, limiting their chances of gaining economic and social benefits from their high human capital.

Professionals' and graduates' decisions are not only structurally but also socially embedded. As already discussed in Chapter 3, my interviewees had diverse educational backgrounds and a multitude of occupations, being employed as architects, au-pairs, bankers, consultants, engineers, journalists, lecturers, managers, musicians or plasterers. I have found that their dominant reference group orientation has a strong explanatory power when it comes to drawing differences between these graduates and professionals. I differentiated between two dominant reference groups, providing mobility models for the university educated Hungarians and Romanians: one group is formed by outward looking, occupation-centred 'cosmopolitans'; another group is formed by inward looking, cohort-focused 'home-oriented' East Europeans. These two kinds of reference groups of significant others influence individuals' aims and career goals; they also form their social identity and the way they assess their own human capital and its degree of transferability across borders.

Overall, the chapter emphasised the social and structural embeddedness of economic action which, along individual determinants, frame individuals' mobility decisions. The combination of structural factors at home, professionals' and graduates' reference group orientation as well as their individual expectations regarding suitable jobs self-select migrants *at origin*, and directs them towards certain personal and career aims as well as

particular destinations by creating dispositions to enter particular segments of the labour market *at destination*. This is consistent with Rosenblum's (2001) theory on 'bifurcated supply' of highly skilled labour. The next chapter shall explore how these diverse and self-selected migrants chose certain destinations over another, and in particular, why do they end up in London.

5. Determinants of destination choice

In the previous chapter I showed that Eastern European professionals' and graduates' principal driver of mobility is their experience of relative deprivation, created by the gap between their individual expectations and means to fulfil them at home (see also Portes and Rumbaut 1996). Their individual expectations in terms of income, jobs, careers or working environment are socially embedded, aligned to their dominant reference group. These expectations proved to be difficult to fulfil within a domestic labour market which offers few and usually poorly paid service class jobs with few challenges and little career prospects, as well as within a home system which produces increasing number of university graduates and in which practices are perceived as bureaucratic, corrupt and nepotistic. Hence, East European professionals and graduates engage in mobility because of perceived East–West differentials in income, occupational prestige and career opportunities, and in the search for meritocratic systems where high human capital can be converted to economic benefits without relying on social capital.

Taking up employment in the British capital city signals that they perceive London as being able to offer all these: higher salaries, higher occupational prestige, challenging careers and meritocracy. Nevertheless, many countries offer jobs with higher salaries and occupational prestige than those in Eastern Europe. In this chapter I seek to understand the reasons behind the choices people make between similar destinations. I start the chapter by revisiting the literature addressed in Chapter 1 on the demand-led and supply-led explanations of destination choices. Then I address, one by one, the five most important and interconnected structural determinants that I have found attracting my interviewees to London: the English language, the British postgraduate educational system, the global labour market of London, the British migration policy and London's geographical location. While discussing each determinant, I highlight that the relative importance of these structural determinants differs by professionals' and graduates' original reasons for arriving to London: to study, to work or for personal reasons. Moreover, in this chapter I also address the extent to which social networks influence professionals' and graduates' destination choices. I close the chapter by discussing the

potential labour market segmentation effects of the aforementioned structural and social determinants of destination choices.

5.1 Demand, supply and transnational choices

In Chapter 1 I presented the competing approaches to explaining professionals and graduates destination choices. On the one hand, the demand-led explanation suggests that migrants' choices are driven by the labour market demand in the host countries, under given conditions of employment and at a given wage rate (see e.g. Piore 1979). The greatest demand for labour is found to be in large settlements called global or world cities (Beaverstock, Smith et al. 1999; Sassen 2001b). Their centrality within the global networks of cities is due to the role they play within the interconnectedness global business world, the shift to knowledge economies and the new international spatial division of labour, leading to and requiring the movement of those whose skills and expertise these global cities demand (Salt 1989): professionals, managers and technicians. On the other hand, the supply-led explanation suggests that social networks direct migrants towards certain destinations, bridging between sending and receiving countries (see e.g. Kearney 1986; Massey, Alarcón et al. 1987).

Yet, both approaches have been criticised on the grounds of not taking into consideration migrants' motivations (demand e.g. Hanlon 1997); or failing to consider economic and political factors when social networks fail to explain migration (supply, e.g. Collyer 2005) – which happens quite frequently when studying professional mobility (see Meyer 2001). Therefore, most recent approaches explain the destination choice as an outcome of the interplay between supply and demand for labour on the 'global migration market' (Borjas 1990), treating professional mobility as happening on the surface of transnational social spaces (e.g. Glick Schiller, Basch et al. 1992, 1995), often within the network of global cities, where the movement of expertise follows the links from the periphery towards the core (see Beaverstock, Smith et al. 1999, 2000; Beaverstock, Doel et al. 2002).

5.2 Structural determinants of destination choice

The previous chapters indicated that the group of university educated Hungarians and Romanians living in London is heterogeneous. They have been educated in a variety of disciplines, have diverse occupations and different expectations about their employment search abroad: to find income, jobs, occupational prestige and careers which situates them in a broadly comparable social position when compared to their professional peers, around the world ('cosmopolitans') or their peers back home ('home-oriented' individuals). Initially, they come to London for a variety of reasons. As discussed in Chapter 3, for instance, more than one third of my respondents arrived to study, nearly half to work, and the rest for personal reasons. In line with most of the professional migration literature, the males were more likely to arrive to work; the females were more likely to arrive to study (and stay on to work) or for personal reasons (see also Salt 1997, 2005a). Moreover, compared to all foreign-born, there are relatively few East Europeans in Britain or in London; and London remains the main destination for newcomers, attracting the well-educated. Having in mind the diversity within this group in both characteristics and expectations how is it possible that they all ended up in the same destination? What does London represent for them?

Generally, London is said to be a magnet for young, single newcomers, attracted by the ease of finding a job, the prospect of building careers, the city's dynamism and multi-ethnicity, its blindness to nationality, and its rich cultural and artistic programmes (Parker 2005). When I was asking my interviewees how they ended up in London, the answers were rarely straightforward. Most of my respondents, as for instance Csaba (below), a young investment manager in finance referred to a combination of factors:

I had three motivations for choosing London. First, if you are young and you receive a job offer, whatever type of job offer, it is stupid to reject it. Second, London is the centre of the financial world; the offer I received represented such a professional advancement and challenge that it would have been equally stupid to reject. Third, the concept of 'abroad' was always attractive for me: one goes, looks around, and learns how things are done differently, in different places. [Csaba, investment manager, HU->London 1997]

Beyond these factors, the most commonly referred determinants of destination choice were the English language, the global and diverse labour market of London, the British migration policy favouring the entry of people with high human capital and London's geographical proximity to my interviewees' home countries. Additionally, the quality

and prestige of the British postgraduate educational system was referred by those who arrived initially to study, while family ties had a strong social imperative for those moving for personal reasons. Not all aforementioned determinants are strictly demand-driven; yet, supply does not seem to be able to fully explain the choices of my interviewees either. Table 11 sums up my interviewees' determinants for choosing London as destination, according to their initial motivations. Broadly, my findings provide evidence for Mahroum's (2000) types of university-educated migrants, and in the following section I elaborate on each determinants' particular role within the decision-making of Hungarian and Romanian professionals and graduates.

Table 11: Motivations and determinants of destination choice

Reasons for arriving in London	Primary determinant	Secondary determinant	Tertiary determinant
<i>Studies</i>	Language	Educational system Labour market	Geographical proximity
<i>Work</i>	Language	Labour market Migration policy	Geographical proximity
<i>Personal</i>	Strong ties	Labour market Migration policy	Language

5.2.1 Language

Even if only in conjunction with other determinants on which I will elaborate later in this chapter, the language of the host country emerged as the most powerful though often 'invisible' determinant of destination choice for all type of professional and graduate migrants. Whether they speak English fluently or they want to improve their language skills, my interviewees sought to study or to work in an English-speaking country in order to profit now or later of their knowledge of the globally most widely spoken foreign language. On the one hand, London attracts those East Europeans who have advanced English language skills and want to work in a country whose language they understand:

The language is a clear barrier in choosing certain countries over another. I speak [English and] French. I can have a conversation, but I cannot lecture on French. I can read, but I

cannot write at academic level. [...] So my possible destinations are in the English-speaking world. [Dan, lecturer, RO->London in 1997]

In certain occupations such as academia or consulting language is not only a tool for communication; the quality of expression is also important. Hence foreign language knowledge becomes as prime selection criterion for destination for 'cosmopolitans' such as Dan (above) or Bence (below):

I would prefer not to work in London all my life, but I do have to acknowledge my language barriers. [...] If I would be keen on private banking, I would not hesitate to go to Zürich, but only if I would speak German fluently. I don't, so this is not an option for me. [Bence, investment banker, HU->London in 2004]

Individuals who want to profit of their high human capital and specialist knowledge chose destinations which language they speak at advanced levels. 'Cosmopolitans' are unlikely to go to work in countries where they do not speak the local language (unless the language of the country and of their work, which they speak well, is different). Their destination choices are thus often confined to the languages they have learnt during their years of schooling. As pointed out in Chapter 3, only from the late 1990s did English become the first foreign language taught in Hungarian and Romanian schools, taking over the dominance of German and French, respectively. Currently 83% of Romanian and 61% of Hungarian secondary level pupils learn English as foreign language (Eurostat 2003). Most of my interviewees who had strong English language knowledge had in fact private language education in lieu or in addition to school tuition, an indicator of their elite or middle-class family background. Learning a foreign language is influenced also by the resources of economic and cultural capital of the wider family. Those who acquired fluency in English (or in other Western European languages) at home were likely to have had access to better education: either secondary or tertiary schools that teach in foreign languages, or private foreign-language tutoring parallel to school. Furthermore, they have parents whose cultural capital encourages them to do so. This re-emphasises how immigrants' social class positions and their access to better education at home can have a structural influence on labour market sorting processes abroad.

Yet, those who were lacking this opportunity often ended up with less advanced English language skills. Improving his English knowledge, in high demand by employers was the main reason for Sándor, a site manager within a construction company, to choose to work in an English-speaking destination:

The reason why I came is that my English was not perfect, I could not advance in my career, I could not apply for any serious position. For all normal jobs you need to speak English well. I thought, I come out and learn English well. [...] I learnt a lot of English, but the thing is, no English people work where I work [...] so everybody has a bit of an accent; there is no guarantee that they speak correct English; others gabber; they do not use special words, therefore I cannot enrich my vocabulary. [Sándor, manager, HU->London in 2004]

Therefore, on the other hand, London attracts also those East Europeans who want to improve their English language skills for future employment benefits, at home or abroad. Numerous studies on immigrants to Britain find that English language fluency is a strong driver for both employment and earnings (e.g. Dustmann, Fabbri et al. 2003; Portes and French 2005) and that the ease of finding employment at destination partly depends on the level one speaks the language of the host country (Chiswick 1979). As I will show later in the thesis, my interviewees with non-proficient English language skills were unlikely to receive professional jobs in London, limiting their employment in non-service class occupations with high immigrant concentration, speaking themselves poor English. In Chapter 7 I will return to the degree to which the level of local language proficiency contributes to the segmentation of labour market at destination.

5.2.2 Educational system

The British educational system, especially the quality and the prestige of its postgraduate courses was a determinant for destination choice for those who arrived to London first to study, but then stayed on to work.¹ Since Britain is one of the major European players in the field of higher education, this is not surprising. It already has a good stock of university graduates and higher education continues to expand at a fast pace. In 2008 about 40% of the relevant age group was enrolled in tertiary education, and Britain also attracts more than 15% of the world's international students (*The Economist* 03/02/2007).² They – 300,100 in 2004 – constitute about 13–16% of all

¹ 30% of my online survey respondents had a British highest degree, acquired either before starting to work or after couple of years' of work experience; one third of my interviewees stayed on for work after graduating with a British degree and an additional one sixth enrolled in a postgraduate course after working couple of years in London (see Chapter 3).

² O'Connor (2005) created a global city hierarchy of international students' destinations and he found that students are heavily drawn towards the USA and the UK, which together account for 40% of enrolled international students of the world in 2001 (27% USA, 13% UK) – 35,600 of them being in London. The share of international students in the total tertiary enrolment is more pronounced in the UK than in the

students in Britain, but make up about 40% of advanced research degree programmes (OECD 2007).³ *The Economist* (22/03/2008) even argues that with the demographic decline and increased tertiary enrolment rates British universities might be saved by the surge in immigration like that from Eastern Europe in 2004.

My interviewees enrolled for postgraduate courses at British universities because they perceived British tertiary educational institutions to be of the highest quality in Europe. They also believed that postgraduate degrees obtained from the 'old universities' offer high academic prestige, which in turn is easier to be transformed to labour market advantages, on a global scale. Millard (2005) and Ackers (2005) note that the huge concentration of research funding in Oxford, Cambridge and London led to the formation of a 'golden triangle' of research clustering, and that the prestige of these host institutes self-perpetuates the location decisions of mobile scientists. Individuals move to high prestige, high quality work environments, global centres of excellence, which are likely to draw 'star scientists' whose presence is appealing for newcomers, thus self-perpetuating the mobility towards these high prestige centres. For East European graduates, as Horea pointed out, not only was the prestige of the host institution important, but also the research funding and scholarships offered during studies:

After 1989 I applied to some good universities in Western Europe. [...] I have chosen Imperial [College] for its reputation, but also for the fact that everything depended at that time on financing my studies. They have offered me a full scholarship, so I could come. [Horea, project manager, RO->London in 1991]

Moreover, British universities proved to be an easy pathway leading to the labour market. In fact, many countries regard universities as ideal talent-catching machines, not only because they select students on the basis of ability but also because those student bring all sorts of other benefits, from spending money to providing cheap research labour. In Europe, Britain leads the market, but Germany and France are also important

USA (10% and 4%, respectively), half of the international students in the UK being from Europe. O'Connor concluded that London, next to New York and Los Angeles, is an 'alpha 1 world city' within the international tertiary education city hierarchy that contributes importantly to the wider development of global cities.

³ Looking only at the numbers published on the websites of twelve major London universities, the share of international postgraduate students within the total number of postgraduates at these universities increased from 28% (15,000) in 2001 to 30% (19,000) in 2005. [These were: Birkbeck College, City University, Courtauld Institute of Art, Imperial College London, King's College London, London Business School (LBS), London School of Economics and Political Science (LSE), London School of Hygiene and Tropical Medicine (LSHTM), Queen Mary, Royal Academy of Music (RAM), the School of Oriental and African Studies (SOAS) and University College London (UCL).]

players (see also Salt 2005a). France is aiming to increase the proportion of its foreign students from the current 7% to 20%; Germany is creating a Teutonic Ivy League; both countries offer many courses in English (*The Economist* 07/10/2006). Also, students are increasingly regarded as potential skilled workers. New migration policies are reflecting this by encouraging and facilitating former students to be employed in the country where they graduated, either long term or at least for a number of years following graduation. An OECD (2007) report notes that from policy perspective keeping foreign students has more advantages than attracting immigrants: students are already in the host country thus they do not need to be selected; host country graduates are considered easier to integrate, especially as regards language and social customs; moreover, the report notes that in a globalised world it is 'anything but safe to assume that foreign students will go home once they graduate if their visa is not extended'.

The structure of the educational institutions in migrants' host countries establishes the standards of knowledge with which foreigners have to compete and thus indirectly assesses immigrants' educational levels. Nevertheless, it also provides opportunities for immigrants to adapt themselves to the local labour markets through education, either by entering the labour market via universities, or by pursuing further training. Mircea, a consultant, pointed out, that in the early 1990s it was impossible for East Europeans to access the British labour market except via universities: East European degrees, even if recognised by British universities, do not have any labour market value in London:

In the early 1990s education was the only way to enter the British job market, especially on a specific level of job, and... specific segments of the British society. So I enrolled into a MBA degree; my prior engineering degree was forgotten. Now my MBA qualification is of primary importance, nothing else. [...] Nobody cares now why I was trained as an engineer earlier. [Mircea, consultant, RO->London in 1993]

From the late 1990s there was not a clear cut connection any more between British postgraduate education and jobs in Britain (that is, East Europeans did not enrol in British universities just because that was the only avenue for them to receive a job in Britain). Dan and many others who came to Britain to pursue postgraduate studies from the late 1990s onwards emphasised that before starting their degrees they never planned staying on for work. Rather, they came to study, and some of them remained in Britain since their life and careers were on track in Britain, and they have not seen any reason to change this by returning to their home countries or moving elsewhere:

I never connected the master's degree with emigration. Pursuing the master's and then the doctorate never meant to me that, because of the degree, I can stay in London. [...] I have

stayed because I feel very well here; I have found the environment in which I belong. The idea was not to emigrate, at any cost. Rather, the idea was that I liked to be here; here and not somewhere else. [Dan, lecturer, RO->London in 1997]

Interviewees argued that in the early 1990s enrolling to British universities was important because it provided a channel into the labour market; over the years, this characteristic of the tertiary educational institutions became less pronounced. Nevertheless, most of the interviewees agreed that a British university degree not only facilitates access to the labour market, but it also breaks through some of the glass ceilings in East Europeans' careers. Overall, the British tertiary educational system plays an outstanding role in attracting and channelling East Europeans into the British labour market. As I will show later in the thesis, my interviewees with British degrees had higher chances to be employed in professional or managerial occupations, than those with East European degrees. Hence, British universities have a role in creating labour market segments by launching foreign-born British graduates into the higher echelons of the labour market.

5.2.3 Labour market

Another determinant of destination choice was the labour market of London, with its large number of diverse and challenging jobs in professional and business services (especially in banking, finance, accounting and legal services, but also in architecture, journalism, IT or consulting), high wages, and fast-paced careers. All characteristics of London as a global city mentioned in Chapter 3 appeared in the accounts of my interviewees. For instance, most finance graduates or those with some work experience have chosen London because, as Máté formulated, it is the 'peak of the market':

Why London? Corporate finance. I am interested in mergers and acquisitions, and there are few places in the world where serious M&A business is done. OK, there are couple of deals at home too, but all are done by foreign banks. So I thought, why not go there and learn the business where real volumes of M&A are done? And this logic leads me to the centre of the financial world. London is the peak of the market. [Máté, investment banker, HU->London in 2004]

Professionals in finance, such as Máté are attracted to the 'peak of the market', so called global cities, from around the world. There is little to add to the excellent literature on global cities such as London or New York and their central positions in the global

markets (see e.g. Beaverstock, Doel et al. 2002; Sassen 2002a). Hungarian and Romanian professionals and graduates are attracted to the labour market of London for the very same reasons as all other foreign-born: more, better paid, more challenging jobs, at all levels, to which access is perceived as meritocratic. Moreover, London is also in the minds' of my interviewees an 'escalator region', a machine for upward social mobility, where according to Savage et al. (1995) people come to achieve promotions and salary increases at a faster pace than staying elsewhere. Bence is a typical 'spiralist' who moves internationally between escalator regions to obtain better pay or more advantageous promotions, at a quicker pace than at home (see also Favell, Feldblum et al. 2006), and many Hungarian and Romanian young professionals think alike:

My job [at home] was good: it paid well and I had great colleagues and challenging tasks. My job was good and safe, and it guaranteed a comfortable background. But being as young as I am, I didn't want yet to have such a comfortable career. I wanted to go abroad until I am 30, and not when I'm 35 and I have children. But my employers couldn't send me abroad: they told me I have to wait couple of years and move up in the hierarchy in order to be able to work on international projects. Even if it was a multinational corporation, there was something like 'you are from Hungary thus you cannot be promoted quickly' in the air. Anyway, I totally disliked this logic, so I said to myself I need to work in a country where promotions are possible at the pace at which they are deserved. My choice? Abroad. [Bence, investment banker, HU->London in 2004]

The global and cosmopolitan labour market of London was attractive not only for young bankers and professionals in financial services. Hungarians and Romanians with occupations such as architects, doctors, journalist or lecturers have also spoken about the higher quality jobs they can receive in London than at home. This is in line with Recchi et. al's (2003) findings regarding the nature of intra-EU mobility; they highlighted that, within Europe, mobility is specific not only for banking or finance, or within multinational corporations, but also in less traditional areas such as the fashion industry, research centres or public services. Although the dominance of financial and legal services in the City creates the perception that only those professionals would consider London as 'the place to be', my interviewees also suggested that it is not the case. London has a high concentration of businesses with global outreach, and those wishing to work on global projects, in international environments also find London attractive despite the fact that in their profession London does not necessarily represent the 'peak of the market'.

Furthermore, some of my interviewees responded to the demand for their skills and services, formulated either on the external labour markets or on multinational corporations' internal labour markets. Being headhunted and then offered a job in London happened with few Hungarian and Romanian professionals such as István:

Unexpectedly a woman from London called on my mobile asking what would I say to do that kind of job that she does, but based in London rather than in Budapest? [...] Of course, this call was like a pet on my back, a sign of recognition of my abilities. [...] The process evolved slowly during which the major competitor may have found out that the other company contacted me, so they also presented me an offer. [...] After many rounds of interviews I started to work for the company making the latter offer. [István, investment banker, HU->London in 2002]

Responding to the demand in multinational corporations' internal labour markets was, however, more frequent among my interviewees. Professionals either move to areas of high activity in order to gain access to 'global jobs' (as described above) or move within the internal labour market of these companies. How multinational companies operate their internal labour markets plays a highly significant role in the geography of migration. Salt suggests that the pattern of professional and graduate migration today is dependent 'more on changing patterns of demand and the development of an organisational infrastructure under which the moves take place' (1997:9). From the 1990s onwards it was relatively easy to move within multinational companies, more from Hungary than from Romania. These companies encouraged their employees' international mobility, without any pressure to return to their home base after the secondment or transfer ended. As Dóra, a former auditor explained, these companies cared little about the geographical location of their staff until they were contributing to the growth and profitability of the company:

In 1998 my company sent me to London. They didn't make me sign anything; they just thought I would return. Basically, my move to London didn't cost them anything; it was not the Budapest but the London office that paid my salary, and they didn't really care where I was. [Dóra, auditor, HU-> London in 1998]

Intra-company transfers within multinationals do not operate under the same logic as the nation state: their aim is to retain talents at organisational rather than national levels. This duality in interests is visible from Dóra's quote: on the one hand, in order to prevent a 'brain drain' it is in the interest of the sending countries to provide scholarships or mobility opportunities for those who will return home, often including a paragraph on the compulsory nature of return in movers' contracts. Multinationals, on the other hand, encourage the international mobility of their staff for career development and training reasons: to boost their skills and their ability to cope with difficult professional or managerial situations. This way, those multinationals that were active in Eastern Europe indirectly contributed to the selection and transfer of talent towards the West, and East European professionals and graduates were happy to take the opportunity. Overall, the characteristics of the labour market of London attracted

those Hungarian and Romanian professionals and graduates who looked for employment and quick careers in organisations with global businesses, often at the 'peak of the market', for higher returns to their work in terms of remuneration, prestige, new skills and experiences. In Chapter 7 I will investigate how various labour market practices directed my interviewees into different labour market segments.

5.2.4 Migration policy

Current migration policies are increasingly designed to be able to respond to the mechanisms of the labour markets, encouraging the in-migration of individuals whose services the labour market demands. Favell and Hansen called this the 'marketisation' of immigration, and argue that immigration within Europe, especially East–West labour migration, is becoming increasingly demand-driven. Despite states continuing to define migration as a political phenomenon, they say that intra-European economic integration should lead states, allowing 'market forces to dictate supply and demand for migrant labour across economically independent territories [...when] migration becomes controlled, only now through a market-based rather than a state-enforced mechanism. The implication is that migrants will not stay where the market does not want them' (2002:585). The international competitions for skills and the role of labour demand in channelling individuals to certain destinations are most visible in the case of individuals with high human capital. In a report McLaughlan and Salt (2002) found thirty-one immigration schemes in ten countries worldwide, designed to attract foreigners with high human capital and to meet skill shortages in various sectors of the economy (such as IT, health, education and other professionals sectors). These schemes are either designed specifically for the 'highly skilled' or are forms of preferential relaxation of or exemption from work permit regulations. The introduction of these schemes is driven, they argue, by the realisation of two main trends. First, the increasing power of markets; in order to meet skills shortages in the labour market, countries have to compete with each other to attract foreign workers with a high level of human capital. Second, the limited responsiveness to policy regulations of the highly skilled: permissive migration policies are necessary but not sufficient to make professionals move. The aforementioned international competition for skills is validated by the logic of Kálmán,

an engineer who graduated in Romania, worked in Hungary and Germany, and who comparing the British and American migration policies and labour market characteristics finally decided for London as the next destination:

I was speculating [about going to work to] the US for a while. [...] But the bureaucracy around obtaining a work permit is huge in the US and it is really complicated to switch jobs. Obtaining a work permit requires six months in the US, but who has the time to wait for six months if the job starts in two days? In Britain some employers can obtain work permits in a miraculously short time. And in the US there are only few holiday-days, I didn't like that; and it is too far from Europe. Britain is at least in Europe. Plus, if your work permit runs out in the US, permanent residency is not guaranteed. In Britain, however, after a couple of years' of work in the country you can switch to residency. So all these options spoke for Britain. [Kálmán, engineer, RO-> London in 2000]

In terms of the range of specific schemes and initiatives to attract the 'highly skilled', Britain moved faster and further than any other country, with the exception of Australia and to lesser extent Canada (see McLaughlan and Salt 2002). This has an impact not only on the selection of immigrants from a wider pool of professionals and graduates, including East Europeans, and on the regulation of their access to labour markets, but also on the attraction of the 'highly skilled' in general.⁴

In the following paragraphs I address only three policy routes relevant for East European professionals and graduates who entered Britain between 1990 and 2005: the Work Permit System, the Highly Skilled Migrant Programme, and other labour market regulations in place after the EU enlargement in 2004. By doing this I seek to understand which policy routes were most relevant for the entry and employment of the university educated Hungarians and Romanians in London.

Work Permit System The work permit scheme is an employer- and policy-driven arrangement. About one-third of all labour migrants enter Britain through this scheme

⁴ European governments have only started to turn to immigration as a means of addressing economic and demographic problems in the last decade. Britain and Germany were the first European countries to give up their state-centred 'zero-immigration' policies of the earlier decades in the mid-1990s. Migrants, traditionally being young, economically active and ambitious, were increasingly seen as sources of labour needed to fill shortage occupations in various industries and sectors, to contribute to economic growth and to the international competitiveness of the country of their residency. The market-governed, self-regulating understanding of immigration in Britain started to be visible towards the end of the 1990s, developed as a response to Germany's new openness to immigration (Favell and Hansen 2002). In early 2000, the government allowed British employers to recruit non-European workers in those labour market sectors where the shortages could not be filled by British or EU-applicants, notably in IT and health (especially nursing). In the same year a pilot scheme that was designed to attract innovator entrepreneurs was introduced. Later in 2000, the government issued a list of occupations where there were staff shortages, from IT-related jobs to hospitality services. Then in 2002 a second pilot scheme, targeting people with high human capital, was initiated.

(Dobson, Koser et al. 2001). It allows employers to recruit nationals outside the European Economic Area⁵ and it is meant to assist employers in their business development and help them overcome short-term skill shortages, which it is not feasible to meet by training resident workers (McLaughlan and Salt 2002). The number of work permits varies by sector and nationality. In 1989, 85% of all work permits were going to professionals and managers, and about two-thirds of all employed immigrants are in those categories (Salt 1989:451). In 2002, 129,000 work permits were issued (see Table 12), of which about 700 went to Romanian citizens and 600 went to Hungarian citizens (IPPR 2004).

Table 12: Approved work permit applications in Britain, 1989–2005

	1989	1995	1997	2000	2002	2003	2004	2005
Approx. number of approved work permits	30,000	32,700	42,800	85,600	129,000	133,400	139,000	129,700

Source: (Salt 1989; IPPR 2004; *The Economist* 09/04/2005; Salt 2007; Salt and Millar 2007)

In the period of 2000–2005 the number of Romanians on work permits increased: in 2005 there were 1,649 in Britain. A significant share of these work permit holders are medical professionals: in February 2005, for instance, 510 medical professionals with Hungarian qualifications and 287 with Romanian qualifications were registered with the General Medical Council.⁶

In the 1990s, getting a work permit was for my interviewees the most widespread way of obtaining legal employment in Britain. Nevertheless, unless the job applicant was a professional with many years of work experience, and the employer a large multinational corporation within which the practice of obtaining work permits was routine, the interviews drew attention to difficulties in persuading British employers to apply for work permits on their behalf, especially during the 1990s. Large multinationals, recruiting from a global pool of talent, having a long history of and good connections with the Home Office, rarely had difficulties in obtaining work permits for their chosen candidate:

⁵ Hungarian citizens were eligible to apply within the work permit system until 1 May 2004, Romanian citizens until 1 January 2007.

⁶ Data by courtesy of General Medical Council via email on 29 April 2005. There is an expectation that more health professionals will migrate to the UK, since the GMC set up recruitment offices in the 2004 and 2007 accession countries. A Society of Romanian doctors had been created in anticipation of this.

We hire people from all over the world. So we just automatically receive [work permits]. You know, if it is a good candidate, we'll grant visas for them. That is not an issue at all. [...] Obtaining work permits never been an issue for us. We are a global hirer. We never just hired solely from Britain or EU candidates, we hire from all over the world. [HR consultant in a major international financial organisation]

Yet, some employers refused to apply on the grounds of their high cost⁷ and the extra workload the application process involved. Others were more innovative. Even if they were not short of the skills that a foreign employee could bring to the company, they made 'as if' they would be short of them in order to be able to employ the person:

Initially, I had a work permit for six months. Because I loved my work, it was terrible to realise that I wanted to stay here, but I could not, politics is in my way. [...] So I wrote to my ex-boss that I would love to continue working for them, but I didn't have the right to do so. He was very kind and said that they will arrange a work permit for me. [...] The next day they put a job-ad on their website. Legally, that was the only way to employ a foreigner: to publicise the opening at least on the company's website and in a British newspaper. They made up something like I'll deal with Eastern Europe and they need my specific knowledge. Then, obtaining the work permit was a matter of days. [Réka, manager, HU->London in 2001]

Overall, for foreign professionals and graduates obtaining a work permit was crucial for entering the British labour market in the field of their studies and specialisation. Whereas it was unlikely that professionals with previous work experience, especially employed by multinational corporations, would have an unsuccessful work permit application, the situation for career-starters was more complicated. Unless they were dealing with their country of origin or the wider East European region, it was difficult for the employers to justify towards the Home Office the specific skills foreign graduates would add to the company. On the one hand, this explains why so many graduates deal with Britain-home country businesses in their first years of work in London; on the other hand, this emphasises the double-edged relationship between labour markets and immigration policy. With an unattractive package of British regulations (such as short work permits or the limited possibility of switching among statuses) skill shortages remain, as foreigners can turn down job offers of British employers. However, employers can also amend details in job descriptions in order to make it sound as if they are looking for candidates to fill skill shortages, and hence obtain work permits. Yet, in fact, they are just recruiting graduates whom they known previously from internships or short projects and who have the 'right attitude' to work, as an employer put it. But this practice excludes those foreign graduates who would not

⁷ In 2005 there was a fee of £153 for the consideration of a work permit. An application for Further Leave to Remain costs £335 (www.workingintheuk.gov.uk).

work for multinational companies in Britain, whose job would not require liaising with their home countries or using their mother tongues, and who do not have any previous relationship with British employers. I demonstrate later that these highly educated foreigners, unless they qualify for the HSMP, are the ones most likely to enter Britain through other non-skilled policy routes (within self-employed, au-pair or seasonal agricultural worker schemes).

Highly Skilled Migrant Programme In 2002 a pilot scheme was introduced to attract professionals to the higher occupational ranks. This scheme, later becoming the point-based Highly Skilled Migrant Programme (HSMP), initially rewarded those with a high level of education, work experience, past earnings and achievements in a chosen field. In contrast to the demand-driven work permit system, the HSMP is mainly a supply-driven entry route. People with high human capital were allowed to move to Britain in order to take up work in their chosen profession or field of speciality. There is neither a shortage list nor quotas for HSMP applicants; yet, there is a minimum number of points to be score which the regulating bodies have the right to amend depending on the saturation level of the market with 'highly skilled' job seekers (and an application fee which was £150 in 2002 and £315 in 2006). Approved applicants are initially granted leave to remain for one year; this can be prolonged by presenting evidence of employment at a level warranted by the applicant's skills base. Three other changes were implemented after the pilot scheme ended: applicants could score additional points if the human capital level of their partner was also high, if they were younger than 28, and if they were recent MBA graduates. There are no labour market restrictions for the entrees through the HSMP. Successful applicants within this scheme are able to take up any kind of employment or to be self-employed. In total, there were 26,304 successful applications to stay in Britain through the HSMP until the end of 2005, 17,631 in 2005 alone (Home Office 2005b; Salt and Millar 2007), a very small number of which were from Romanian citizens.

Table 13: HSMP applications of Romanian citizens (01/02/2002–31/12/2006)

Year of application	Received	Approved	% Approved
2002	15	7	47 %
2003	38	25	66 %
2004	65	24	37 %
2005	:	41	:
2006	:	40	:
Total	:	137	:

Source: (Home Office 2005c; Salt 2007)

In general, more Romanians than Hungarians applied to stay in Britain through the HSMP. Elena, a microbiologist describes the tedious HSMP application:

Shortly before the end of my postdoc I realised I didn't want to go back and I had to find a way to stay [in Britain]. I looked on the internet and concluded that the only chance I can have is to apply within the HSMP. [...] I struggled to gather all the necessary documentation to obtain the 75 points limit. Everything needed to be in original, from diplomas to the last scholarship certificate you ever obtained! [...] My Romanian salary was nothing when converted to pounds; I didn't receive any points for that. [...] I expected to receive 70 points, if they are malicious and 80 points, if they are big-hearted... And they gave me exactly 75 points! [Elena, researcher, RO->London in 1999]

The benefit of the HSMP was to give agency to those highly educated professionals and graduates for whom the practices of the work permit system were not advantageous. Yet, the very small number of applications within this scheme indicates two points: first, the high bureaucracy-avoidance of my interviewees (familiar already from Chapter 4), many of which said they would have not bothered with the HSMP would they have not obtained a work permit; also, many Hungarians pointed out that the bureaucracy around obtaining a work permit sometimes delayed their employment search for the post-2004 period. Second, most Hungarian and Romanian professionals – until 2005, at least – were responsive to a combined demand on the labour market and at the level of policy rather than preferring the supply-led migratory behaviours. As I show below, for Hungarians after the 2004 EU-enlargement this has changed.

Other Entry Routes The 2004 EU-enlargement and Britain's decision to open up its labour market for the citizens of the new accession states replaced all previously

mentioned entry routes for Hungarians who now had the free choice of taking up employment in Britain.⁸ While there was a relatively sudden flood of migrants from the new EU member states (especially Poland), the flows were dominantly directed to sectors where labour was in demand, particularly in administration, business and management, hospitality and catering, agriculture, manufacturing and food, and fish and meat processing. The most recent report of the Home Office (2007) notes that in 2006 some A8 nationals registered in 'highly skilled' jobs: 700 as teachers, researchers and classroom assistants; 200 dental practitioners; and over 1,000 GPs, hospital doctors, nurses and medical specialists.

Table 14: WRS-approved applications to remain in Britain between May 2004 and December 2006

Country of origin	2004	2005	2006
Poland	71,025	127,320	159,855
Lithuania	19,270	22,985	16,810
Slovakia	13,020	22,035	21,370
Latvia	8,670	12,960	9,380
Czech Republic	8,255	10,570	8,185
Hungary	3,620	6,355	6,950
Estonia	1,860	2,560	1,460
Slovenia	160	170	180
Total	125,880	204,955	224,190

Source: (Home Office 2007:9)

Hungary is not a significant country of origin for post-enlargement migrant labour: between May 2004 and December 2006 only around 3% of the total WRS applications were made by Hungarian citizens (nearly 17,000, in total). Hungarian citizens were likely to be employed in hospitality and catering (5,460), administration, business or management services (4,390) or health and medical services (1,235). For my Hungarian interviewees the EU enlargement did not change significantly the migration plans of those who actively sought taking up employment abroad even before May 2004.

⁸ Nevertheless, a registration scheme (the Worker Registration Scheme, WRS) was introduced, to regulate A8 nationals' access to Britain labour market and to restrict access to benefits. The scheme also allows policy-makers to follow the numbers, geographical origins, employment destinations of those new EU citizens who enter British labour market. The initial cost of registration was £50 in 2004 (since increased to £90); self-employed A8 nationals are not required to register. The WRS has no quotas or other restrictions, the registration is automatic for those providing evidence of their A8 citizenship.

Nevertheless, the enlargement brought many Hungarians to Britain who otherwise would have not gone through the sometimes tedious, but surely competitive and selective process of obtaining a work permit. Ferenc, an architect, is an example typical of those who were not willing to arrange the necessary paperwork to come to London before the EU enlargement, but with bureaucratic barriers falling down they recognised the opportunities through which they could realise their ambitions, try out new career tracks, or earn extra money:

A year prior to the enlargement I started to look for jobs, but not seriously. You know, on the internet... I was sending some CVs, signed up here and there, generally at headhunters, and I thought that if somebody would show serious interest than I would consider whether I want to quit my job [in Budapest]. [...] Shortly before May these guys were looking for architects [...] and they employed me from 1 May when no big bureaucratic fuss was necessary any more around getting a permit to work. [Ferenc, architect, HU->London in 2004]

Among the adventurers were also highly qualified people who did not speak English very well. Sándor, a former branch manager of a bank, thought that May 2004 should be the moment to start brushing up his English by trying out the 'London experience':

I quit my job in early 2004. My idea was to come to London in May. I wanted to learn more English than what I know now, and I wanted to live in London for a while. I thought, if I do not do this now, if I don't try out [the] London [experience] now, then I won't do it ever. So I bought a plane ticket and I arrived. [Sándor, manager, HU->London in 2004]

For Romanian citizens, the 2004 EU enlargement did not bring any changes in the possible entry routes. Professionals and graduates could take up employment continuously with work permits as 'highly skilled' migrants. Some Romanian citizens, despite having tertiary degrees, entered the British labour market as au-pairs, agricultural workers, self-employed or indeed, as students:

- as *au-pairs*: from a baseline of zero in the fiscal year 2001/2, in 2004/5 there were 1,491 Romanian-born au-pairs in Britain;⁹
- as *seasonal agricultural workers*: the number of Hungarian and Romanian seasonal agricultural workers in Britain was as follows:¹⁰

⁹ The au-pair scheme allows young people outside the EEA to learn English while working in the UK. Au-pairs must work for and live with an English speaking family; they must be aged between 17 and 27, be unmarried, and stay in the UK for up to two years. In 1999, 8% of all entries were within this scheme (Dobson, Koser et al. 2001:250). In 2002, there were an estimated 12,800 au-pairs admitted to the UK (IPPR 2004).

¹⁰ The seasonal agricultural workers scheme admits non-EEA nationals to the UK to work at certain agricultural camps. A small number of scheme operators, normally farming companies, run it. All new

Nationality	1999	2000	2004	2005	2006
Hungary	93	86	20	:	6
Romania	317	261	1,040	1,954	2,026

Source: (Dobson, Koser et al. 2001; IPPR 2006; Salt 2007)

- as *self-employed*: between March 2002 and March 2005, 479 self-employed visas were given to Romanian citizens (IPPR 2006), the majority of whom were self-employed in the construction industry;¹¹
- as *students*: during the 2000s, the number of student visas granted to Romanians oscillated, with a peak of 1,195 in 2001; it is estimated that on average a quarter of Romanian students, compared with half of Bulgarian students, apply for leave to remain in Britain (IPPR 2006).

Table 15: Non-settlement visa applications granted to Romanian citizens, issued in Bucharest

	2001/2	2002/3	2003/4	2004/5	2005/6
Work permits	2,154	678	974	1,983	1,649
Students	1,195	1,000	517	780	868
Au-pairs	0	97	1,010	1,491	:
Total (incl. visitors)	21,913	20,207	28,504	27,846	32,830

Source: Entry Clearance Statistics available at www.UKVisas.gov.uk

Overall, Britain's migration policy and its preferential selection for professionals and managers was another strong determinant of destination choice, especially before the 2004 EU-enlargement for Hungarians, and less restrictive regulations after 2007 for Romanians already working in Britain. My interviewees' attitudes towards the British migration policy demonstrate that the Hungarian and Romanian professional and graduate mobility is from the policy-perspective largely demand-driven movement. Those employed in professional and managerial jobs entered the British labour market overwhelmingly through the employer and policy-driven arrangements of the work permit system rather than the supply-

recruits must be students in full-time education abroad, and aged between 18 and 25. The period of work lasts for a maximum of three months, and should not extend beyond 30 November. In 1999, 5.3% of all entries were within this scheme (Dobson, Koser et al. 2001:250).

¹¹ The self-employed route was open for Hungarian nationals until the 2004, for Romanian nationals until the 2007 EU accession. Self-employed individuals are allowed to enter the UK, provided they do not look for other employment or social benefits. Their work rights are bound to their own business; initially granted for a year, self-employed visas can be extended by three years and hence lead to settlement applications.

driven HSMP. Yet, those who were unable to obtain work permits or to qualify for an HSMP permit, remained with the option of entering the labour market through non-skilled policy routes. This highlights the power of migration policy in directing equally well-educated foreigners into different segments of the destination labour market.

5.2.5 Geographical proximity

Another important determinant for choosing London instead of, for instance, New York was its geographical proximity to my respondents' home countries. As Mária, a Hungarian consultant graduated in Britain pointed out, the big difference between working in London rather than New York is that 'you can be [in Hungary] in 2–3 hours, without jetlag or any other type of shock, and most importantly without financially ruining yourself'.

The use of metaphors such as 'London, the US of Europe' was quite common in the discussions on location and geographical proximity. In the minds of many interviewees, London is profoundly European, and yet different from continental Europe. It is a combination between America and Europe: it resembles the US in its open and flexible markets, but it shares the values, norms and commitment to social safety nets with other EU members. While the US also has global cities, prestigious universities, skill-selective migration policy, and the English language, for my interviewees Britain's comparative advantage lies in its close proximity to Europe.

Therefore, among English-speaking countries, the US is Britain's major competitor in attracting professionals and graduates from around the world. An IES (2002) study among professionals working in Britain found that Britain gains an edge against the US because it is the first to provide a job offer, and it was perceived to offer a more relaxed style of working, and a better quality of job (the jobs offered in Britain were more interesting and challenging). However, the study also found that Britain had no particular advantage when it comes to salaries or the buying power of those salaries, other than for some professionals from developing countries. Many of my respondents also said that they could have earned more elsewhere but they had sacrificed the money in order to take advantage of a more interesting opportunity that arose in London.

Choosing London as destination had another sub-determinant relating to its location and its degree of embeddedness in European migration flows. Aurel, engineering graduate from Romania and self-employed in the construction industry in London emphasised that he had chosen to work in London since it is still in Europe, but relatively far from the traditional migrant destinations of the majority of Romanian migrants (i.e., Spain, Italy – see Chapter 2). He said that needing to work in the same industry as many other Romanians abroad, he is not too keen in choosing a destination ‘full of’ his co-nationals:

Britain is not a Latin country. That's good. That's why I haven't gone to Italy or Spain. They are too similar to Romanians and there are too many Romanians anyway. Latins don't keep their word. Or they give you work, you work for a month and then... thank you very much, your pay will come next year. I cannot accept these things. [...] This never happened to me in London. [Aurel, self-employed, RO->London in 2004]

Despite being university-educated, those employed in non-professional jobs like Aurel suggested that the location of the chosen destination modifies the classical hierarchy of occupations: depending on location, the social status and prestige of a given occupation differs. As Zsuzsa a graduate-turned-nanny put it, ‘it is better to be a nanny in London than a primary school teacher in a remote village at home’. This links back to the East–West occupational prestige differentials discussed in Chapter 4 in relation to Ganzeboom and Treiman's (1996) theory on a cross-national occupational hierarchy.¹² Zsuzsa's point echoes those of other graduates whose dominant reference groups are their peer-groups at home, and suggests that a cross-national occupational hierarchy should be intersected with an international location hierarchy. While in strict occupational sense a primary school teacher has a higher social status than a nanny, in migratory context the receiving settlement may turn this hierarchy upside down: the wealth of experience and new skills that graduates can acquire as a nanny in London for instance make the cross-border mobility to be perceived as success rather than downward social mobility.

¹² Ganzeboom and Treiman (1996) argued for the existence of international occupational prestige hierarchies and noted that professionals are often mobile towards the centres of excellence of their occupations, which gives them high prestige, status and symbolic power.

5.3 Social networks and professionals

The determinants to engage in employment search abroad, as showed in Chapter 4, are closely linked to individuals' social ties and dominant reference groups. The evaluation of the experience of migration is also socially embedded; as showed in the previous section, the choice of destination can modify the social perceptions regarding the classic occupational hierarchies, making a job with lower occupational status more prestigious if it is in a global city such as London. Hence, choices of destinations may not only be structurally but also socially embedded. That is, Hungarian and Romanian professionals and graduates may arrive to work in London not only because of the English language, London's global and diverse labour markets, an attractive migration policy, or geographical proximity to home, but also because of the social ties which connect them to London. The literature on professionals' and graduates' socially embedded destination choices, as discussed in Chapter 1, offers however little evidence. If anything, some scholars (e.g. Mahroum 2000; Meyer 2001) suggest that highly skilled migrants rely more on their human-cultural capital than on their social capital when making decisions regarding their mobility. They are likely to move to destinations which are centres for their specific occupation (i.e. global cities) rather than those which have high concentration of friends and relatives.

While my interviewees referred to a combination of the structural determinants for choosing London as destination, I have found that for some of them social determinants were also important. The dominant reference group differentiated between individual and network movers. On the one hand, I have found that most of the individual movers are 'cosmopolitans' who move towards destinations with high concentration of professionals with similar occupation to theirs; they move to global cities, generally from peripheries to the core, being driven by professional ambitions and structural determinants but not by social networks. On the other hand, most of the network movers are 'home-oriented' East Europeans who relate to their peer-group and move towards destinations where their usually ethnically homogeneous social networks from home send them.

One of my typical ‘cosmopolitan’ interviewees, Zoltán’s destination choice shows a decision-making mechanism independent of social networks but dependent on individual career ambitions, labour markets, global city networks and migration policy:

After my postgraduate degree [in the US], I started to work in our New York office. They thought that after a year I would return to Budapest and continue to work for them there. But after one year I realised that I still hadn’t learned enough, I was hardly doing anything ‘serious’, so I said to my employers that I don’t want to return to Hungary yet. Nevertheless, I couldn’t stay longer in the US because of being unable to switch from a student to a work visa. [...] So London emerged as an option, because at that time the European exchange market boom had just started and there was a lot of work. [Zoltán, consultant, HU-> London in 1996]

Individual movers such as Zoltán decide for possible destinations in the following way: identify possible countries of destination based on their language skills; select those cities within the countries which are well known to offer challenging and well-paid employment within the individual’s field of speciality (first and second tier centres of excellence); further select those countries which are relatively flexible in regulating foreigners’ access to the labour market; and from the remaining few countries decide where to move based on their geographical proximity, personal preferences, or stereotypes of the local ‘culture’. In fact, individual movers’ destination choices were always about cities: they named a few cities around the world where they could obtain challenging jobs with international outreach. Their mobility patterns overlap with the network of global cities (see Beaverstock, Smith et al. 2000; Scott, Agnew et al. 2001; Sassen 2002a) and they reach London through the transnational channels that connect global cities to one another.

Social network movers, on the other hand, first identify possible destination countries based on social ties, check migration regulations and labour market characteristics to identify the probability to getting employment; then, they shorten the list of all favourable destinations based on the local language their knowledge of which they would like to improve; and finally, if there are still several options, they make decisions based on the geographic proximity, and the ease and cost of travelling between host and home countries. The most typical social network movers are the partners of Hungarian and Romanian professionals, often individuals with high human capital themselves. Anna, an experienced doctor, for instance sought employment in London because her husband was appointed to work there. When deciding whether she stays at home or moves for couple of years to London, as she put it, she had to choose between a career

at home and a family in London. Opting for the family, she faced several difficulties on the labour market, struggling for months to obtain a professional job:

We came because my husband received a job in London. I had to make a decision: career or family. And I have chosen the family. [...] Of course, there is also the challenge: to learn English well, to acquire experience from abroad... these were also pushing me towards London. But I had never imagined it would be so difficult to get a proper job, which suits my background and experience. [Anna, physician, HU->London in 2003]

These professionals who accompanied their partners to London were in most cases women. The online survey showed the same: females were significantly more likely to move to London for personal reasons than were males who were more likely to move to work (see more in Chapter 3). The 'cosmopolitan' husband being transferred within the company abroad, or having an opportunity to grow professionally by moving between countries and jobs, these women often chose to sacrifice their own careers for the family, which usually male partners such as Máté expect:

We have agreed with my fiancée that she can be the boss in everything, I mean, in small things, but where we will live together is mainly my decision. She accepts that. If she could not accept that, I would not be able to live with her. [...] But I am not worried about her: she speaks five languages, has a very confident appearance; these types of people find work everywhere. But the truth is she needs to be flexible about her career. [Máté, investment banker, HU->London in 2004]

If professionals and graduates choose destinations because of the strong ties linking home and host destination, these moves proved to be typically gendered. Other studies on professional mobility highlight the same findings (see Beaverstock 2002, 2005): typically, females follow the careers and geographical choices of males. Yet, as I will show in the next chapters, the gendered moves are often less advantageous for the female partner, who moves along, than for the male who makes the primary career-related decisions. Experienced professionals such as Anna often struggle to find professional jobs matching their skills and expertise: were it not for their partners, they would have not engaged in cross-border mobility.

A different type of social network movers are those Hungarian and Romanian graduates who chose to work in London for all the aforementioned structural benefits, following the example of individuals from home. These weak social ties leading to individuals of the same ethnicity and age group as the interviewee often represent the final push within the complex decision-making mechanism. Anikó, a communication science graduate from Hungary who wanted to improve her English and to live abroad for a while happened to end up as an au-pair in London because that was the migration model he encountered at home:

I bumped into a friend on the streets of Budapest whom I haven't seen for five years and she said she is just about to leave for London. She asked me why don't I go to London instead [of the US]? And indeed, I thought, why shouldn't I go to London?! Let's go to London. At the end of the day, London is closer, flights are cheaper, and it is really great that I least I knew one person before I came. I don't like this au-pair work, but if you know you have at least one friend in the city, it is ok for a while. [Anikó, au-pair, HU->London in 2004]

The 'home-oriented' migrants, such as Anikó, could have equally ended up in Chicago or Dublin, had they met a different friend. Yet, because the migration models of the individuals within their reference groups are of typical of traditional migrant (see also Chapter 4), they rarely consider the possibility of searching for employment in their field of studies either because they know they cannot obtain one because of their non-proficient language skills, or because they do not trust their own skills being high enough to meet the labour market demand at destination. As Eugen, a geography graduate from Romania working as a plasterer in London, they follow the mobility model of their reference group since they consider it as being good enough for a while to earn some money and to gain experience of working abroad:

I wanted to go to a farm in Norwich because most of my friends from university went there. They said it is ok to earn some money during the summer vacation. But I stayed there only three months after which I came to London. My brother was already in London. I am staying with him. [...] I could have gone to Germany or Italy as well. But I didn't know anybody there. Furthermore, I don't speak German, and in Italy the pay is bad. [Eugen, plasterer, RO->London in 2003]

Overall the social networks of friends and relatives have significant influence on the location decisions of Hungarian and Romanian graduates with inward-looking, peer group based reference groups. Similar to non-graduates, they expect positive economic returns from migration exactly because of the support offered by embeddedness in social networks (see Massey, Alarcón et al. 1987 and others). Many of my interviewees were, however, individual movers whose destination choices were influenced by their individual aspirations and the structural determinants of the receiving settlement, rather than channels of social networks. While social networks had little impact on Hungarian and Romanian professionals' and graduates' destination choices, as I will show in the following chapter, they make a difference when seeking labour market incorporation in London.

5.4 Summary and discussion

In this chapter I showed that the Hungarian and Romanian professionals and graduates have chosen London as destination for a number of mostly demand-driven reasons, connected to the structure of the labour market, migration policy and postgraduate educational institutions, but also to the English language and to London's geographical proximity to home. They act upon a combination of factors which are structurally and socially embedded, calling into question yet again the rational *homo economicus* image of migrants with high human capital. While discussing these choices which construct the second stage of East–West mobility process, I highlighted that individuals' reasons of mobility are closely intertwined with their destination choices; and that migrants from similar origin can have different fates depending on their chosen destination (see also Tilly 1994).

I have found that Hungarian and Romanian professionals and graduates look for destinations where they find suitable combination of resources and opportunities necessary to cease their experience of relative deprivation. This challenges and completes the income-oriented neoclassical theory (which argues that migrants go to destinations which show positive income differentials). First, professionals and graduates typically chose destinations which language they speak in order to be able to take fully advantage of their human capital. The English language being a primary determinant of destination choice suggests that the near universal second-language must have contributed at least as much to the transformation of London to a global city as the abundance of its financial transactions. Second, the global labour market of London attracts them because of the variety of well-paid jobs and challenging careers, especially in advanced producer services such as finance and business, insurance and accountancy, media and architecture, IT and advertising. This makes my interviewees no different than other professionals and graduates around the world (see Beaverstock 1996a, b; Beaverstock and Boardwell 2000). Moreover, similar to other Europeans, London is an 'escalator region' for Hungarians and Romanians who move between global centres of excellence in order to advance quickly in their careers (see Smith and Favell 2006; Favell 2008). Moving from the relatively peripheral Budapest or Bucharest to a centre of the global city network often involves career advancement, which would not be possible or not at that pace at home.

Third, in comparison with other countries, the British migration policy, perceived to be selective and well-communicating with the labour market, encourages the employment of professionals and graduates in Britain. Yet, migration policy as a structural determinant appeared in the accounts of my interviewees only along with other determinants, never alone. Indeed, as Peixoto (2001) and McLaughlan and Salt (2002) argue, attractive migration policies proved to be necessary but not enough to make individuals with high human capital move between countries. Fourth, in comparison with other English-speaking countries, the geographical proximity of Britain to Hungary and Romania was equally important. Moreover, since about one third of my interviews arrived to London to study because of the quality and prestige of British postgraduate education, I have found the role of universities in channelling foreigners into the British labour market also significant.

Regarding the social network dependence of professional mobility, my findings confirm but also complete the literature. On the one hand, most of my interviewees' decisions to work in London were individual choices, responses to individual aspirations and structural determinants. Similar to Mahroum (2000) and Meyer (2001), I have not found social networks being as relevant in professionals' location decisions as for the unskilled or semi-skilled migrants. On the other hand, I have found that some professionals and young graduates move to London along the ties within their social networks. Some 'cosmopolitan' minded – mostly female – professionals move often to follow the careers of their male partners; this has already been documented in the literature (see Beaverstock 2002, 2005). Some 'home-oriented' young graduates, however, move to London by following the ties of their social network from home. Since these often follow the traditional migration patterns, most of socially downwardly mobile graduates are likely to come from this latter group of individuals.

Overall, based on the structural determinants, London is perceived by my interviewees as a neutral context of reception in which professionals can incorporate into the primary labour market since individual merit and skills are believed to be the most important drivers of successful incorporation (see Portes and Böröcz 1989). Yet, the aforementioned social and structural determinants predict the lines along which the labour market of London may be segmented. Proficient English knowledge, British degree, global work experience and profession from the skill shortage list may lead to

professional and managerial employment. Ethnic ties, poor English knowledge, foreign degree, little and generic work experience may lead to routine and manual employment in London, despite individuals' tertiary education. The following chapters investigate the labour market practices leading to my interviewees' employment in London, aiming to understand the social and institutional forces behind labour market segmentation in case of professionals and graduates.

6. Channels to employment: networks and markets

In this chapter I begin to analyse the labour market incorporation practices of professionals and graduates, the third stage in the social organisation of East–West professional mobility. Given that I have shown in the previous chapters that professional and graduate migrants' reasons and determinants of mobility as well as their destination choices as socially embedded, here I look at labour markets as socially constituted entities. Beyond the seminal works of authors such as Granovetter (1985; 1992), Waldinger and Lichter (2003), Craig (1985), Rubery (1996) or Tilly and Tilly (1998), one powerful yet little known example of this can be found in the work of Bryn Jones (1996) who developed this idea by drawing on a number of theories that emphasise the social aspects of market exchanges and that define alternatives to price-competitive models of labour markets. He argues that markets are social and not exclusively economic institutions; therefore individual agency needs more attention just as the analysis of dynamic exchanges between market participants (employers and employees). For this reason labour market incorporation means more than getting a job of a certain socio-economic status: there must be a common recognition of eligibility to participate in the market, powers of regulation, and standards of action: who can enter the market, who or what arbitrates among its participants, and what is the permissible range within which the buyers and sellers can transact. Although Jones (1996) is not the first to argue that social rules may govern the mechanisms on the labour market, the novelty of his approach is the inclusion of institutional elements as social constitutes of labour markets that allow transactions to take place.

Emphasising the social aspects of market exchanges allows focusing more on individual agency, on dynamic exchanges between labour market participants, and on the social process of ascribing value to individuals' human capital. In this and next chapters I use Jones' (1996) approach to labour market processes to analyse its various stages and to understand East European professionals' and graduates' job-seeking practices in London. The steps of socially constituted labour markets can be split into five conventionally defined stages: accreditation, signalling, screening, bargaining, and secondary bargaining. I am particularly interested in the social organisation of the first three stages of labour market processes: accreditation, signalling and screening. That is,

what makes East European professionals and graduates eligible for London-based jobs; what are the channels of signalling job openings and employees' availability; and how employers and foreign job-seekers decide whether they satisfy the requirements of the other party? In this chapter I address only the process of signalling, largely dependent on the 'supply side', that is, on individual migrants; Chapter 7 deals with the processes of accreditation and screening, largely dependent on the 'demand side', that is, the receiving institutions and structures, as well as employers' labour market practices.

Stages of socially constituted labour markets

<i>Accreditation</i>	The means through which membership of a labour market can be acquired (i.e. formal certification of skills and qualifications, social or physical confirmation of potential employees' preferred qualities).
<i>Signalling</i>	Employers' notification of job opening and potential employees' communication of their availability and interests.
<i>Screening</i>	Those stages of the labour market processes when potential employees gain recognition of their suitability (incl. the technical selection between applicants as well as the relational process when employers identify potential employees' technical and social skills).
<i>Bargaining</i>	The process where the terms of employment can be negotiated. This is the central element in economists' labour market models; sociologists do not put much emphasis on it; they argue that the institutional forces regulate more powerfully the terms of employment (wages, fringe benefits) than the individuals can bargain it.
<i>Secondary Bargaining</i>	Further bargaining after being employed. Strictly speaking, this last stage is not part of the labour market processes; nevertheless, it is considered to be so, since it causes changes in employment relationships.

Source: (Jones 1996)

As I have shown in the previous chapters, my interviewees have chosen to look for employment abroad in order to decrease their experience of relative deprivation in terms of income, jobs, careers or the 'system' with which they deal on a daily basis, when compared to their occupational or cohort-based reference group. Many of them arrived to London responding to a demand on the labour market, and their move was facilitated by a favourable structural and institutional environment. Yet, I have also shown that my interviewees have different expectations from their mobility: the so called 'cosmopolitans' operate under global, occupational standards and seek to obtain the maximum achievable returns to their human capital and the highest benefits in their profession; the 'home-oriented' East Europeans operate from a home-country, cohort-based viewpoint and seek to realise more than what is achievable at home for their peers

with similar education. In this chapter I seek to understand how these ‘cosmopolitan’ and ‘home-oriented’ individuals signal their availability and find out about job openings on the labour market of London. I seek to investigate whether social networks facilitate their labour market incorporation, and if so, what kind of networks and how.

This chapter is organised as follows. First, I refresh briefly the conclusions from Chapter 1 on the possible labour market signalling channels, and discuss the current position of the literature on professionals’ and graduates’ network-dependence when looking for jobs abroad. Turning to my empirical evidence, I differentiate between market and network mover East Europeans with high human capital, and I analyse their different practices of signalling productive capacities. When discussing the role that social networks may play in facilitating the process of getting a job in London, I address the role of professional and ethnic ties separately. Finally, at the end of the chapter I argue that social networks may have a centrifugal role in sorting professionals and graduates into different labour market positions in London, professional ties being conducive to the achievement of higher, ethnic ties to lower labour market positions than what is achievable for market movers without professional or ethnic social capital in London.

6.1 Labour markets and professionals’ networks

Of all five stages of labour market processes, signalling is the most socially grounded. It denotes the way that employers make job vacancies and requirements public, and would-be employees’ communication of their availability and quality to employers or their agents (Jones 1996:116). Signalling can occur through market and various non-market channels: kinship or friendship groups (strong ties); acquaintances and professional groups (weak ties); as well as through multi-functional institutions (internal labour markets). Most research suggests that non-market channels, especially weak ties, are more successful than market channels in channelling information between labour market participants (Granovetter 1982; Waldinger 2001). Similarly, non-market channels have long been identified as crucial to the economic behaviour of migrants (e.g. Fawcett 1987; Massey and España 1987). Scholars have repeatedly found that migrants’ labour market incorporation and occupational attainment at destination is dependent on their

social capital. Hence in migratory contexts, the channels to employment are often discussed in relation to non-market mechanisms i.e. social networks. While semi-skilled and unskilled migrants' employment search often has been found to be facilitated by strong ties (see Massey, Alarcón et al. 1987 and many others), there is little evidence for professional migrants' network-dependence when looking for jobs at destination. If they use any networks to access the labour market, professionals are found to rely on occupational or industry ties (see Findlay and Garrick 1990; Beaverstock 1996b; Findlay and Li 1998; Meyer 2001) rather than on relatives or friends.

Turning to my empirical material, I have found that some of my interviewees signalled their availability indeed using social networks; others have found out about job openings in London directly from the market. The channels to employment they have used were associated with their expectations from their mobility to London as already discussed in Chapters 4 and 5. I have identified four different types of Hungarian and Romanian professionals and graduates in London (see Table 16), based on their motivations to work abroad ('cosmopolitan' vs. 'home-oriented') and their practices of finding out about job openings and/or signalling their availability to employers (market vs. network). Similar to Findlay and Li (1998) I have also found that migrants' motivations influence the kinds of networks they use in order to find employment abroad, and that these four types of movers delineate four different labour market practices. In the following sections I analyse market- and network movers' practices in turn.

Table 16: Labour market practices

Signalling through:	Cosmopolitans	Home-oriented
<i>Market/non-network channels</i>	Individual developers	Individual diversifiers
<i>Non-market/network channels</i>	Elite movers	Traditional migrants

6.2 Market movers

Despite evidence of migration being dependent on social networks, a significant part of my interviewees used market channels to find employment in London. Similar to Poros's (2001) 'solitaries' or Favell's (2006b) 'free movers' to London, many Hungarian and Romanian professionals and graduates did not rely on any occupational or industry ties to signal their availability to employers. Rather, they have applied online for various openings, uploaded their curricula vitae on job seekers' website, or relied on an agency to find a job for them.¹ The labour market, as the dominant channel for signalling availability and finding out about job openings, was most frequently used by graduates and young professionals with only few years' of work experience. Having limited access to those positions and at that wage levels on the labour market at home than what they would expect to be suitable for individuals with their level of education (and needing to deal with a 'system' that limits their careers, see Chapter 4), they gravitate towards labour markets they perceive meritocratic and rewarding. Since many job advertisements are published on the Internet, they are accessible from anywhere, making cross-border application for jobs easy and virtually free of charge. Moreover, some websites allow job seekers' registration of interest even without suitable openings, making possible for employers to search within an international pool of skills whenever they look for new recruits. This latter strategy was the one of Ferenc, an architect who could imagine working in London for a while, but preferred to wait for a suitable job offer rather than him searching 'full-time' for jobs in London:

I had in the back of my mind that I would like to work once in London. So when I was fed up with my work in Budapest I have looked around on the Internet at half steam, sent out couple of CVs and registered here and there, with some agencies. I thought if somebody is showing real interest than I will decide whether I *really* want to work in London or not.
[Ferenc, architect, HU->London in 2004]

Young professionals such as Ferenc, looking for new challenges, more interesting jobs in London than which were available at home, ultimately seek the development of their human capital at a global, 'cosmopolitan' level in their specific profession, industry or

¹ Most of the online survey respondents found their jobs in London through direct applications (21%), an agency in Britain (20%) or a former employer (19%). The internet was also important (13%), as were university (12%), friends (8%), advertisements (8%), acquaintances (4%) and family (2%). The difference regarding the ways of finding a job in London across the field of work is significant: those working in business, law or the IT sectors relied more on former employers or direct applications than the others.

both. They find out about those open positions that employers advertise on the job market, and fill in online forms often while still studying or working in a different job. They lack the social ties needing to find out about openings of their interest, hence they rely exclusively on the market. The example of Dan, a Romanian professional who studied in Britain at postgraduate level is typical:

I found out about job openings through email, jobs.ac.uk, newspapers or the internet. Nobody drew my attention to any jobs. [...] When I was called for an interview to my present employer, I had no more ideas about how this employer is than about the others. For me, it was a job application as all the others, the 41st line of my Excel table that kept my applications in order. [...] My slogan was apply, apply, apply! After a while I lost track of deadlines, how many applications I made and where, so I had to start a list. I know the rule of thumb: if after three weeks I don't hear anything, it means I should not wait anymore. [Dan, lecturer, RO->London in 1997]

For many graduates and young professionals the application for jobs in London was an intensive and often lengthy process. Writing many applications my interviewees learnt, as Dan pointed out, that 'if I don't apply 50 times, I don't pass the first step which is the pain of being rejected 49 times, and that failure is not necessarily a negative sign'. Yet, at the point of signalling availability failing to pass even the first round of selection represented the hard way to obtain a job in London:

I have been falling flat on my face good couple of times. You submit your online application, on which you have been working for two nights, and after ten minutes you receive an automatic email thanking for your application, and pointing out that after careful consideration and due to the large number of applicants and their unusually high qualification levels unfortunately your application cannot be taken forward. [Bence, investment banker, HU->London in 2004]

Most of my individual developers, the 'cosmopolitan' market movers obtained their first jobs in London through pursuing this competitive and highly selective process: applying and being rejected for many jobs, usually in finance, IT, academia but also in consulting or architecture, being interviewed couple of times, over the phone and in person, and then being offered one or two jobs.

The signalling process is less complex for individual diversifiers, the 'home-oriented' market movers who look for jobs in London in order to learn better English, to gain new skills and experiences, perhaps to earn more. Because of their less advanced language skills they are hesitant to look for jobs suitable for their qualifications; yet, they also rely on the Internet to find jobs:

I started to look online for possible jobs [as an au-pair] in London. I have found some portals which mediate between families and students wishing to work as au-pairs. There are many. You can upload photos, create a website for yourself. I registered my profile on couple of websites [...] and it was the family for which I work now that found me. First, we

started to exchange emails, then spoke on the phone twice, and then we have found each other sympathetic, so I came. [Anikó, au-pair, HU->London in 2004]

When asking about how they signal their availability to the British employers, I have found that most of my individual movers – especially the ‘cosmopolitans’ but also the ‘home-oriented’ East Europeans – withhold some information in the hope for preferential screening. During the process of signalling interviewees preferred to draw employers’ attention on their level of education, work experience in general, but have chosen to share the least possible information about their background, origin or reason for being already or wishing to be in London. Taking advantage of the online application processes, in the first round they preferred to avoid to mention their geographic location in order not to wake the ethnic stereotypes of employers. Rodica, a business graduate, believed she needs to withhold this information if she wants employers to screen her application:

If I send a CV to a private company, it would go straight in the bin because of the word Romania in it. If I want a job in a public company, I cannot have it because their policy is to employ only people from the EU or Commonwealth. [...] So I changed my strategy and reduced the occurrence of ‘Romania’ in my CV to the absolute minimum. [Rodica, production operative, RO->London in 2003]

Withholding information on their background was more frequent among my Romanian than among my Hungarian respondents. They believed that they can only be guaranteed meritocratic screening if they provide incomplete information. The reason for withholding these ‘non-essential details’, as Sergiu, a Romanian lecturer pointed out, originates in East Europeans’ complex about being stereotyped because of their origin:

When applying for this job, I explained vaguely what the situation is: that I am a student at this and that [British] university. I don’t think I specified that I am actually a visiting student from Romania, studying here for four months only. I tried to avoid as many details as possible since I thought that being specific would ruin my chances to get this job. You know, how employers’ stereotypes work: the more honest you are, the less you remain with. So I have chosen not telling something that I was not doing; I did not lie to employers; I was concentrating on telling only the essential details. [Sergiu, lecturer, RO->London in 1998]

My interviewees highlighted the need to direct potential employers’ attention: they preferred to make employers concentrate on advantageous characteristics of their human capital (such as credentials, knowledge or particular skills) and ignore the details perceived as non-advantageous (such as their non-British permanent domicile, their need for a work permit, or the fact that English was not their first language). Overall, my interviewees were seeking to show that they are not different from their British fellows. Dan pointed out that he did not want to be screened as ‘a Romanian wanting

to work in Britain'; he wanted to signal that he works with the same mindset as everybody else with the same profession as he has:

I was concerned [about my Romanian citizenship]. No need to hide this. Despite all the confirmations I received that I was good, I was concerned that the system would work against me just because I am Romanian. This is part of the heavy Romanian legacy. So I never put on my CV that I need a work permit in Britain. I thought that I don't want that all my applications end in trash because of this. I simply wanted to be a British graduate. I was not a Romanian wanting to work in Britain. I wanted to show that I operate with the same mindset as all my colleagues from Manchester or Edinburgh who applied for the same academic jobs. I did not want to stand out as being different from the viewpoint of the immigration policy; I wanted to stand out because I am good. [Dan, lecturer, RO->London in 1997]

Dan's and all my other 'cosmopolitan' minded interviewees' accounts show that when signalling availability, their professional identity overwrote their ethnic identity. They did not want to be screened as Romanians or Hungarians, the stereotypically 'impoverished East Europeans' wishing to work in Western Europe; rather, they wanted to find jobs as well-educated bankers, academic, architects who happen to be raised in a different country and have a non-English mother tongue. They were expecting British employers to act under a unique frame of reference, within which credentials and experience make the difference rather than ethnic belonging. Yet, while expecting this, they did presume that ethnic stereotyping creates in fact a dual frame of reference based on which employers screen natives and foreigners differently (and thus they preferred to withhold information about their ethnic belonging).

Indeed, Waldinger and Lichter (2003) found that employers do use a dual frame of reference; employers hiring into unskilled jobs say that immigrants are useful precisely because they *are* different from natives, which makes them ideal candidates to fill jobs that others do not want. In the case of professional and graduate jobs, however, my interviewees wanted to be hired because they *are not* different. Not wanting to stand out means that they seek to apply for the same jobs as the British, and they expect British employers to rely on a single frame of reference. (Therefore, unless they fill in skill shortages on the labour market, these 'cosmopolitan' foreigners seek to compete with professionals and graduates from around the world, including the British.)

6.3 Network movers

The market mover interviewees, especially the ‘cosmopolitans’, were proud to be able to compete on the labour market with other professionals and graduates around the world. As Dan pointed out, being able to compete with other professionals is in fact for East Europeans a tool of self-justification: their East European human capital is actually high enough to fill Western vacancies. Being able to compete on the market was a sign of the value of their human capital, and as many highlighted, not of their social capital. Referring to what they perceive as a clientelistic and nepotistic ‘system’ at home, highlighting the lack of social capital leading to the labour market was for my interviewees an indicator of merit. It is for their credentials, work experience, language knowledge and particular skills they were able to obtain a job in London, not for their occupational or industry, kinship or friendship ties. According to Tilly (2006), the lack of reliance on social networks leads to democratisation of migration: cross-border mobility becomes possible also for those who lack the relevant social capital that contributes to the decrease in costs of migration (including initial help and information flows). Yet, some interviewees such as Arnold also acknowledged that social ties make the process of signalling more efficient:

I have to say that social ties have opened up the doors for me, this is true. Nevertheless, they were not relevant during the recruitment process. I am convinced that social ties do not matter so much in Britain as performance and a daring attitude. This is the huge difference between Britain and Hungary: here they would take you on board if you are good but not connected. In Hungary they wouldn't. [Arnold, investment banker, HU->London in 1999]

Being embedded in social networks decrease the time and cost of job search, since individuals do not have to write 50 applications as Dan (above) in order to be rejected 49 times (see also Fawcett 1987; Massey, Alarcón et al. 1987; Findlay and Garrick 1990). Also, social ties allow the circulation of more information about the job and indeed, about the applicant, than what the job description or a cover letter contains, making speculations about employers single or dual frame of reference unnecessary. Favell et al. (2006) suggested that individuals with high human capital would do better if they had equally high levels of social capital. This is not surprising. Social networks have long been identified as crucial to the economic behaviour of migrants. On the one hand, Massey et al. (1987), Beaverstock (1996a) emphasised immigrants' reliance on social networks to find out about job openings or to signal availability to employers

about their interest in jobs that have not yet been advertised. On the other hand, Waldinger and Lichter (2003) described extensively employers' reliance on social ties when signalling job openings and requirements. In fact, contemporary ethnographies document the tendency of employers to rely on immigrant social networks as their primary recruiting tool (Bean, González-Baker et al. 2001). Nevertheless, the dominance of social networks has the potential of organising labour markets to partially close, rather than open, competition for jobs (Bach 2001), limiting the process of democratisation of migration.

A common sentence I heard during the interviews was something similar to 'an opportunity popped up and I took advantage of it', which often denoted an idea brought forward by a former colleague, an acquaintance, or a friend of a friend about a possible job in London. Occupational, industry or community ties, the primary role of these links was transferring signals of availability in two directions: from employer to future migrants, and vice versa. In general, when social networks helped Hungarian and Romanian professionals and graduates to find employment in London, signals reached experienced professionals through professional i.e. occupational or industry ties ('elite movers') or ethnic ties (traditional migrants). Different types of networks had different consequences for the job-seeking foreigners.

6.3.1 Professional ties

One of my typical interviewees were those Hungarians and Romanians who arrived to London through intra-company transfers within major professional services providers, especially during the 1990s when many Western companies outsourced or offshored functional practices to Eastern Europe, usually for lower costs; these processes are well documented (see Martin 1999; Taplin and Frege 1999; Commander and Köllö 2004). That time internal moves within multinationals were relatively easy, especially for Hungarians (many multinational companies established their Hungarian offices shortly after the fall of the Iron Curtain; their Romanian offices followed only 5–10 years afterwards). Dóra, a Hungarian professional working in one of the big accountancy

firms in Budapest recalled how easy was for her the transfer to London, the company taking care of all work-related arrangements including work permits:

I told one of the partners that I would like to come to work in London for a while. He picked up the phone and that was it: I could come for two years. [...] Basically I was handed over to London. My contract didn't contain a clause of return, London was paying my salary and Budapest stopped being concerned about me. [Dóra, auditor, HU-> London in 1998]

Less experienced intra-company transferees than Dóra needed more than a phone call to obtain an assignment in London. Yet, with suitable English knowledge, credentials and willingness to work abroad young professionals could obtain temporary assignments to London not only – but typically – within professional services firms. Árpád, a journalist told:

In our organisation everybody can apply to work in a different country for a while. You just submit an application, and if you are successful, you can go; the company takes care of your replacement until you are away. [...] One of my colleagues left the London office to work somewhere else, and since I spoke well English and my employers were generally happy with what I do, I was called to London to replace her. Basically my move to London was originally an intra-company transfer. [Árpád, journalist, HU->London in 2000]

The mobility of staff within multinational organisation has been well documented (see e.g. Salt 1992b; Beaverstock 1996b; Findlay, Li et al. 1996; Beaverstock 2005). Scholars agree that intra-company transferees move along the network of offices of multinational corporations, typically towards global cities, where headquarters are often to be found. Multinational companies also actively encourage the global mobility of their employees. As the HR consultant of a major international financial organisation confirmed what my interviewees also mentioned, mobility is between headquarters and employees' home country is also strongly encouraged:

We have offices all over the world, and a lot of our [graduate] candidates may start in London, but then they may well move back to their home countries or may well move to a different region. And that is something we encourage. We actively move people geographically. [HR consultant in a major international financial organisation]

Similar to intra-company transfers, mobility prospects arose for professionals also when two or three firms merged and the restructuring created opportunities to change jobs, locations or functional areas. László, a Hungarian professional with many years of work experience received a job in London as an outcome of mergers and acquisitions:

Our company was restructured and, as always, there are opportunities around restructurings. [...] One of my options was to come internally [to London]. I was asked to build up a regional procurement business for our firm. All my life I was doing these building up things, so I thought I might even do it in London as well. [László, director, HU-> London in 2000]

In general, those Hungarian and Romanian professionals and graduates who signalled their availability or found out about job openings through occupational ties responded to labour market demand, often connected to skill shortages, in London. Some of my professional interviewees, almost all working in financial services as István (below), were head-hunted from London during the early 2000s when markets in London were booming and there was a shortage in individuals with experience (especially those who had experience in emerging markets such as Hungary or Romania):

My current employer head-hunted me from Hungary. I had been doing business with them, but from the other side. One day, as a bolt from the blue, a woman called me on my mobile asking whether I'd be up for switching sides and do what she does now. [...] And even if I had a very good job at home, I didn't hesitate for a moment about whether I'd like to come or not. [...] It was such an opportunity that it was impossible to be left behind. [István, investment banker, HU->London in 2002]

Recruiting the talented people from Hungary or Romania into more challenging and better paying jobs in London was a practice used by London-based employers around the years of the dot.com boom. Many as István (above) or Cristian (below) have been working with British companies while being based in Hungary or Romania, and they all have been receiving job offers from London:

Our company had many contracts with companies abroad and we had a huge client in Britain. This client offered a job to my boss which he accepted. Then, they offered a job for me and some of my colleagues too. [...] Initially I rejected the offer, but after a year they approached me again. [Cristian, engineer, RO->London in 2001]

Cristian elaborated in detail on how the best IT engineers were 'drained' from Romania during the dot.com boom via international cooperations. London was struggling with skill shortages, and Romanian had lots of good engineers; by offering higher salaries and challenging jobs talents could be easily transferred to Britain. Kálmán (below) pointed out, however, that not only British partners 'drained' the talents from the East; in his company the very best employees were putting pressure on their British partner firms to employ them otherwise they would quit. Despite contractual limitations between the collaborating Romanian and British companies regarding cross-company recruitment, the British firm had no choice but to breach the agreement and take on the best specialists rather than let them move to the competitors:

My company in Bucharest worked with a British company. The Romanians used to come to Britain for short assignments. After a couple of assignments some of them told the British partner that they want to work for them and not for the Romanian company. Obviously, the main reason was financial. The problem was that our companies had a contract saying that business partners do not take the employees of each other. Yet the demand for our knowledge was so high on the British market that the Romanian employees had a strong case. They said that if the British partner didn't take them, they would go [and work]

somewhere else. Therefore the British partner had no choice but to breach the contract with the Romanian partner and take their IT specialists on board. At least ten came to the same UK employer that time. [Kálmán, engineer, RO-> London in 2000]

Using client-partner relationships to signal job openings or productive capacities was not only specific to narrow occupations, but characterised entire industries. During the end of the 1990s until the burst of the IT bubble in 2001, IT specialists were in high demand in Britain, hence their internal or cross-company transfer was typical to this period. In the early 2000s the place of IT specialists was taken by those working in financial services, especially investment bankers and financial lawyers speaking various languages and having some experience in emerging markets.

Professional ties, either occupational or industry links, are dominant ways of channelling information for well-connected 'cosmopolitan' professionals. Kálmán, an IT engineer, describes how specialisation brought increased need for but also reliance on international opportunities, the wider industry and transnational social ties:

After working in Romania and Hungary, I became quite specialised over the years and I got to know many people in my field, including from Britain. The world is small. When I found this opportunity of working on this project [in Britain], it turned out that there is another guy in the team who worked at a company where I also worked earlier... or, you know how it is, has a friend who I know because we worked together at one point. [...] It is a small world. And if you are part of it, the information reaches you easily. [Kálmán, engineer, RO->London in 2000]

Looking to my interviewees who used professional ties to signal their availability or to find out about job openings, I realised that the non-market, network-based signalling is a very selective social process. Only the most experienced or the highly specialised Hungarian and Romanians have those kinds of professional social capital that they can convert for employment benefits in London. Professional networks – by providing right signals to the right people – select the very best of their field in Hungary and Romania. They provide relevant and detailed information for network movers in a more accessible, less costly and time consuming way. As any other social networks, professional networks lower the social and economic costs of job searching; more importantly, they minimise the risk of applying for the wrong job and maximise the chance of making the 'right choice'. Through professional ties, applicants find out not only about specific openings, but also about the real content of their possible jobs that is missing from job advertisements. As Georgiana points out, network movers pre-screen themselves better before applying:

The institute I worked for earlier has some ties with the one in London. Basically, the director from here is a good friend of the director in my previous organisation. So this opening was *well advertised* for me. I knew exactly what I will be doing: how much experience they need, how much time the job takes, what opportunities are available, and so on. I found out about many details of the job and all were relevant for me. So I said, OK, I will apply since it seems to be the *right choice*. [Georgiana, researcher, RO-> London in 2004]

Sergiu also pointed out that some information about possible jobs, their content or relevance are simply not circulated openly:

Getting a job here is tightly linked to networking, to the people you know and your personal initiative. [...] If you don't take initiative to go, to call, to meet people, to ask for information, nobody cares about you. Without personal interaction you cannot find out anything about the system, how things work, who is doing what and what the planned projects are for the future. [Sergiu, lecturer, RO->London in 1998]

It became increasingly clear from my interviews that professional social capital represents a source of labour market segmentation: East Europeans in professional or higher managerial occupations in London seemed to have much more extended professional networks than those in lower service-class jobs.

While it is difficult to pinpoint whether professional social capital is the cause or the consequence of obtaining higher level service-class jobs in London, it seems to be certain that they go together. Mircea, a Romanian consultant within an international financial institution, talked about the importance of building and cultivating professional and occupational networks:

Professional networks are very important at my level. [...] It is a skill to generate and maintain networks. Your networks come firstly from your colleagues. The likelihood of them being from good families, good background is bigger as they ended up at the same place as you did. By 'good' I mean similar to yours. Good for you. [...] How a network gets bigger and deeper, it depends on you. It is a skill and it also depends on the number of years you spend in a certain country. First, I started my network by getting in contact with people from here relying on my relations at home. Then I had to nurture, develop and maintain all the new contacts: I am constantly expanding them. [...] Building professional networks are the only type of social relations I put energy into. [Mircea, consultant, RO-> London in 1993]

László, a Hungarian director within a large multinational corporation, shares Mircea's opinion. He argues that experienced professionals' friendship networks need to overlap with their professional networks. Networking is about finding out about business opportunities, better positions, possibilities of cooperation, or financial interests rather than about shared values and interests:

My life was almost always about work, and that is how it will be in the future. [...] At my level, the question is rather how much time and disposition I have to build personal relationships outside the business... or, should I build personal relationships within the

business. And I build my relationships within the business. It simply offers more. [László, director, HU->London in 2000]

Professional networks are generally occupationally homogenous. This is not typical for the experienced Hungarian and Romanian professionals only; expatriates are found to spend much of their time socialising with other expatriates located in their host country, usually with similar occupations, rather than with host country nationals or indeed, with their co-ethnics (Johnson, Kristof-Brown et al. 2003). This suggests that foreign professionals seek relationships with comparable others: people who share relevant profession, experience or characteristics; comparable others not only represent business or career opportunities and provide social support in a new environment; they are found to impact the success of their overall international assignments (Black 1988).

Typically, my interviewees' professional networks through which they signal availability or disposition for employment in London are occupationally homogeneous nevertheless ethnically heterogeneous formations. Networks are formed primarily through work: current or former colleagues exchange information about job openings at their former or current employers. Being geographically mobile themselves, nurturing professional ties to former colleagues can lead to the formation of transnational professional networks since individuals are constantly on the move between positions and countries. Some interviewees even mentioned they feel they are globally very well connected. As Eugenia, a Romanian consultant and frequent traveller notes, 'London has business with the world. [...] My job is very internationally oriented; 90% of my professional contacts are outside Britain'. The international dimension of the jobs of most professionals, 'elite movers' makes them well integrated into professional labour markets.

Another type of transnational professional networks is formed while studying abroad, usually in Britain or America, and then keeping the contact with former colleagues from the university. Irina, a Romanian lecturer graduating with a US postgraduate degree pointed out that in cities such as London is relatively easy to stay connected with university alumni since London is attractive for many other 'spiralists' like herself:

Most of my contacts in London are colleagues and friends from the US: those who graduated from my university and also came to work to London. Or not only to London, but also to Oxford or Cambridge. We managed to develop strong friendships on campus back in the US; now these alumni ties form a strong professional network and we keep ourselves informed about the latest opportunities. Not having time to develop new relationships, this network is my most significant source of 'professional gossip'. [Irina, lecturer, RO->London in 2002]

Additional to being ethnically heterogeneous, I have found the professional network membership is gendered: women were less likely to rely on professional networks when signalling availability or finding out about job openings than were male. While young male graduates usually signalled their availability on the market, experienced male professionals' mobility almost exclusively relied on professional ties. This finding is not unique to my research. Some studies highlight that many moves which occur as intra-company transfers may be arranged through male networking (see e.g. Kofman and Raghuram 2005). The composition, range and often the geography of women's social networks differ from those of men: on the one hand, next to their careers they need to take care of the family and friendship ties, limiting their time for building professional networks. Mariana pointed out the disadvantages she has from not being able to build professional networks when she would have had the chance of doing so:

During my MBA I did not understand properly the importance of building a [professional] network, and every day I had to take our child to and from school. So I had to dash off after the lectures, whereas the others, mostly men, stayed on and met up during the evenings in the neighbouring pub. Because my husband was working and I had to take care of our family, I lost this way the major part of networking, so important during an MBA. Now I would contact my former MBA-colleagues... and I know most of them are still in touch with each other... but it would come out a bit strange: I haven't been a drinking-buddy for them. [Mariana, consultant, RO->London in 1993]

Women's professional networks are restricted also because of the fact that they are often 'trailing spouses', rarely lead migrants; often their partners' career benefits from the cross-country mobility: women are expected to be adaptive followers despite that fact that their professional networks, if existent, would send them to different destinations. These women are found to experience a devalorisation of their productive functions and a relegation to the domestic sphere (Yeoh and Khoo 1998; Yeoh and Willis 2004). As showed already in Chapter 5, for the majority of my male interviewees, having 'soft' i.e. accommodating female partners is almost a necessity for the type of career they are aiming for. Arnold, a junior investment banker, said:

Unfortunately I have to say in a quite unambiguous way that the woman has to follow the man. A partnership can function well only when the male dominates. OK, this might sound like boorishness, but that is what I believe. [...] I would not go to a place which is important only for my wife's career. I would only go there where it is primarily advantageous for my career. [Arnold, investment banker, HU->London in 1999]

The gendered nature of professional networks has consequences, however. Not being as embedded in professional networks as men, women's mobility between and within firms is less likely to be prompted by arising opportunities than by the need to accommodate their partner's career moves. This is a common finding of the studies on

professional mobility: in many instance the husband's career takes precedence, and there may be no appropriate employment available for well-educated women in the area to which the husband's career takes the family, especially if they work in a different sector than their husband (Kofman and Raghuram 2005, 2006).

While my interviewees' professional networks are typically gendered and ethnically heterogeneous, a particular form of professional network still needs to be mentioned: that of graduates and young professionals from Hungary and Romania, who studied at home and ended up in London together. These young networks are ethnically homogeneous; yet, it is the common profession and schooling that holds these networks together rather than the shared ethnicity. Máté, a young Hungarian investment banker drew first my attention to the phenomenon:

It is very common to meet Hungarians in the City [of London] who were once members of one of the colleges for advanced studies. Some are here; others were here but have already left, and through the college alumni networks you always found out who is currently in London. [Máté, investment banker, HU->London in 2004]

I found at least two ethnically and occupationally homogenous young professional networks in London. On the one hand, there is a young professionals' network in London for graduates in finance of Budapest University of Economic Sciences who during their undergraduate studies were members of colleges for advanced studies and then after graduation started entry-level jobs in the City of London.² Bence pointed out that the networks formed at home facilitate the transnational information exchange between various cohorts of graduates. Members of the networks can find out from each other about occupational and career standards in their profession contributing to the formation of their reference group and about the stand of the labour market in the City:

I know several Hungarians who graduated with my specialisation. Just from my year, we are four here; all four, we were part of the college for advanced studies. There is surely a mass attraction in the story: one graduate comes after the other. You hear what a cool job the other has and you wish the same for yourself. [...] It is difficult to say though who came to London first. We all applied independently but then ended up here at the same time. [...] 30–40% of my main friendship circle from home is now in London, and it also represents quite a good professional network. [Bence, investment banker, HU->London in 2004]

² The Rajk László and the Széchenyi István colleges for advanced studies (*Rajk László Szakkollégium* and *Széchenyi István Szakkollégium*) are educational institutions affiliated to the Corvinus University of Budapest. Their main purpose is to provide members with a wide range of possibilities for professional, social and political self-education and activity.

These graduates, and indeed many other Hungarian young professionals, often meet Wednesdays evenings in a pub in the City, aka *Pubszerda*,³ the informal institutional framework for professional network building. The *Pubszerda* is a generally considered a great place to socialise, exchange information and network for young investment bankers working in the City. However, professionals who do not work in the financial sector find *Pubszerda* less useful for widening their professional networks:

My knowledge about these *Pubszerda* youngsters is quite superficial. [...] It is not my main pathway, so to say. The major part of the Hungarian professional community is specialist in finance, and I am not. I gladly talk with them for a couple of hours, but I am not sure that I am interested in so many details about what happens in the City, and who made a transaction of how many billion pounds. The majority of these kids cannot stop gossiping about the City. I am simply not interested. [László, director, HU->London in 2000]

Although Hungarian finance graduates who work in the City form a strong ethnically and occupationally homogenous professional network in London, this picture did not emerge of Romanian finance graduates. The Romanian IT graduates, young engineers are, on the other hand, those young professionals whose social networks in London were similar to Hungarian finance graduates. Their network is formed less typical during common studies but from having had a common employer before, and even after, arriving in London. Almost all IT engineers pointed out that Romanian programmers form a loose professional network in London:

In my first job in Britain I worked with colleagues from Romania. We were practically relocated from Romania to Britain. [...] It was a pleasant group of people, we were also friends, with pretty similar interests. [...] We still keep in touch, although we work for different employers now. You know, in every software company in the UK you surely find 2–3 Romanian programmers. [Cristian, engineer, RO->London in 2001]

Yet, Romanians have also a semi-formal institutional framework for professional network building called the *Romanian Business Club*.⁴ It was established with the deliberate aim of increasing networking opportunities among Romanian professionals in London, mainly working in the City:

There were multiple elements that led to the establishment of the club. [...] It is a great networking opportunity. You not only meet similar people from different companies, so you can hear all the business gossip, but you also can find out about business opportunities,

³ *Pubszerda* is an online group, see <<http://groups.yahoo.com/group/pubszerda/>>; its description “We meet once a week.” The current online group was created on 27 March 2003. The number of subscribed members is steadily growing: from 230 on 18 October 2004 to 358 on 1 August 2007. Offline presence Wednesdays after 8pm in The Counting House pub (50 Cornhill, London EC3V 3PD).

⁴ The RBC is an offline community (www.rbcuk.info/) established in 2000 with the aim of increasing the networking opportunities of Romanian professionals on permanent contracts working in London. Members of the RBC were initially bankers and lawyers only, but now other professionals have joined (new members have to be referred by two RCB members). In 2005 the RBC had almost 70 members.

even in Romania. Additionally, you can socialise with Romanians, make friends. Nevertheless, there are always interests in the middle. Everybody is busy, generally, so there have to be some tangible outcomes of the participation. [...] To be concrete: on one hand, networking, on the other hand, business opportunities. The social facet is of tertiary importance. [...] I was indeed keen on meeting other Romanians as I hardly knew anybody [in London]. But of course, I was also curious, what are the others working in, who they are, and so on. [...] I have found some great friends in the club. And, of course, we have also made some business together. [Mircea, consultant, RO->London in 1993]

The Romanian Business Club is in its character very similar to the initial goals of the *Pubszerda*: to network with co-ethnics working in the City in the hope of exchanging business information and City gossip, and to socialise. For this reason the perceived 'problems' with the Club are the same as with *Pubszerda*. The membership of this professional network is exciting for bankers and lawyers working in the City, but non-bankers are not so interested in the opportunity of obtaining first-hand information about City business exchanges.

6.3.2 Ethnic ties

Grudges against ethnically homogeneous networks appeared during my interviews once I was not talking with Hungarian or Romanian investment bankers, lawyers or IT engineers, but business developers, architects, journalists, doctors or academics. These latter professionals were not particularly interested in the City, in mergers and acquisition, or in the FTSE index. It was the rule, rather than the exception, that at one point during the interview my respondents noted: shared ethnicity is not enough for them to maintain social relations with other Hungarians or Romanians in London.⁵ Shared professional *and* ethnicity was a good facilitator of information exchange about the professional labour market; yet, as mentioned earlier, ethnically heterogeneous professional networks were more effective when signalling availability or looking for openings. Anna, a Hungarian doctor with twenty years' of work experience was one of my few interviewees who touched upon the very essence of the unsuitability of ethnic networks when looking for professional jobs: co-ethnics generally have non-influential

⁵ Despite having collected the relevant data, I have chosen not to address the complexities around my interviewees' societal incorporation, perceptions on their ethnic belonging and community. While this was a chapter in a previous version of the thesis, given the limitations of space in a doctorate, and the emerging focus and thematic unity of my research I decided not to include this chapter in the final version.

positions in London. Ethnic networks are therefore ineffective in placing members in higher professional or managerial jobs in London:

The Hungarian [doctors] from London are very nice and lovely, but the bosses are British everywhere. So the Hungarians from here are not in a position to be able to help [to find professional jobs]. Everybody is enthusiastic and encourages me [...], but nobody *is* actually helpful. [Anna, physician, HU->London in 2004]

In fact, when I asked interviewees about the ethnic background of those three persons whose advice they would consider when looking for a job,⁶ only 10% replied that all three people would be of their ethnicity; for 26% two out of three would be of their ethnicity; for 23% one out of three. The majority, 41% of the survey respondents, would not turn to their co-ethnics to find a job in London. Sándor corroborates this, despite working in a different industry and at a different level:

When I arrived in London I didn't look for the company of Hungarians. Quickly I realised that there is a strong positive correlation between the quality of the job you can get here and the number of your non-Hungarian acquaintances. And I needed a good job, since all this is about money. [...] Only after the summer did I start to look for Hungarians; they are nice chaps, we have great parties on the weekends, but that is it. [Sándor, manager, HU->London in 2004]

Poros (2001) also found that those who rely on interpersonal i.e. ethnically homogenous kinship or friendship ties are likely to be under-employed: the lack of organisational ties fails to channel well-educated migrants into occupations consistent with their prior education or experience; community ties, however, make employment opportunities less stable. It would be wrong to argue, however, that my interviewees have not relied at all on ethnically homogeneous interpersonal ties. Sándor's observation was nevertheless true: ethnic ties, not being useful for obtaining highly skilled jobs, often perpetuated jobs within the low-skilled sector. For this reason, many 'cosmopolitan' minded interviewees stood aloof from their 'home-oriented' peers in London.

Yet, the 'home-oriented' ones first turned to the ethnic community to find job in London. Eugen, a Romanian geography graduate working as a plasterer, for instance arrived to London because his brother encouraged him to do so who then also helped him to find a semi-skilled job in the construction industry:

I came to London because of my brother. I am staying with him now. Initially I didn't know how the story with self-employment works, so my brother told me everything about

⁶ The survey question was: 'Please imagine that you are looking for a new job. Who will be those three persons in London whom you would contact for some useful ideas? Are the above named people of the same ethnicity as you are?'

it. First I worked with a false name through an agency in construction as a labourer. But then I quit because friends told I should go to restaurants since it pays more. So I did. But I was sacked because I was working full-time and I haven't had the right to do so. So I had to return to construction. My brother organised me a plasterer job. [Eugen, plasterer, RO-> London in 2003]

Similarly to the example of Eugen, the following advertisement posted on one of the email groups recruited for the low-skilled sector: job openings signalled through ethnic community links targeted those who – mostly because of their poor English language skills – would have struggled to find jobs on the labour market:

If you would like to work for a five-stars hotel or you know somebody who is looking for work, call me or drop me an email. Big chances of getting employed, even with very little English knowledge! Next round of interviews is on following Saturday. A wide variety of positions is available, depending on experience and education. [Advertisement in Hungarian on *Magyarkocsm*, 20 March 2007]

While 'cosmopolitan' minded interviewees did not rely on ethnic ties during the signalling process for the very reasons mentioned by Anna and Sándor, the 'home-oriented' movers were more likely to take advantage of them. The reason for this is not that ethnic communities circulate more information about better paying jobs; rather, the non-proficient English knowledge of 'home-oriented' movers makes difficult for them to access the British labour market, delivering yet another evidence of the strong labour market segmentational power of local language knowledge. For the 'home-oriented', ethnic communities are the most effective social institutions that channel information about job openings or productive capacities.

Yet, I have not found that ethnic communities would organise the university-educated Hungarians and Romanians into ethnic enclaves. Even if Waldinger et al. (1990) argued that immigrant economic activity is an interactive consequence of the pursuit of opportunities through the mobilisation of resources through ethnic networks, this does not hold for my interviewees. It may be true for the less educated Hungarian and Romanian (but this needs to be documented in another research); what I have found is that in general the small and occupationally diverse ethnic community is of little help not only in employment search but also in the formation of ethnic enclaves. Aurel, a Romanian former engineer and currently self-employed in the construction industry, pointed out:

Most of my Romanian friends do not work in my field. Many work with concrete; I work in painting and decorating. There are intermediate steps in a house construction or renovation; my friends cannot give the work to me after they finish concreting. [Aurel, self-employed, RO->London in 2004]

For immigrants who lack the human-cultural capital to be competitive in the English-speaking sectors of the metropolitan labour market of London, less desirable jobs as construction workers, plasterers or au-pairs are preferable to being employed, often for less income, at home. They signal availability and find out about job openings through ethnic networks, and their job mobility is likely to remain bounded by the ethnic community.

Overall, looking at the signalling process and employment outcomes of the Hungarian and Romanian network mover professionals and graduates I have found that social ties 'scatter' my respondents on the labour market of London: professional ties facilitate the obtainment of higher professional and managerial jobs, because they connect individuals in the same industry and are effective channels of information about the position and its requirements. Ethnic ties, however, are likely channel the well-educated interviewees into routine and manual occupations in London. Social ties thus have a centrifugal role on the labour market, depending on the kinds of social ties which facilitate the signalling process, sorting individuals into higher or lower labour market positions than what they could have obtained would have they moved exclusively on the labour market.

6.4 Summary and discussion

In this chapter I showed that the process of employment search in London of Hungarian and Romanian professionals and graduates is not network-dependent phenomenon. Many of my interviewees were individual market movers who not only have chosen London as destination out of own initiative (see Chapter 5) but also signalled their availability to potential employers exclusively on the labour market and who found out about job openings via job advertisement, usually posted on the Internet. Nevertheless, I have also argued that while it is not dependent on, the process of signalling is facilitated by social networks. Some of my interviewees were relying on professional or ethnic ties in order to get access, or at least obtain employment-related information about the labour market situation in London: the 'cosmopolitans' were more likely to signal their availability through professional ties, or on the market; the 'home-oriented' East Europeans relied on signalling on the market, or through ethnic ties.

My findings confirm but also complete the current literature. On the one hand, my research delivers further evidence to Favell's (2008) findings regarding the free, market-regulated mobility of the young and well-educated Europeans – 'Eurostars' – within the increasingly interconnected markets of the EU. It broadens the geographical coverage of the phenomenon by showing that some East Europeans make part of that segment of the intra-European mobile workforce, who would not have moved, were it not for the favourable structural and institutional environment that facilitates mobility within Europe. With time this could potentially lead to the democratisation of migration within the region (see Tilly 2006). Also, similar to Findlay and Garrick (1990), Bagchi (2001) or Meyer (2001), I have also found that if any networks facilitate professional and graduate migrants' employment search at destination, they are overwhelmingly formed by weak ties.

Completing the literature, on the other hand, I have showed that despite witnessing some signs leading to the democratisation of migration within Europe, East European professionals and graduates still have reservations about them being accepted as integral players with full rights on Western European markets. The market movers in special, they have a strong desire to show conformity to British professionals' and graduates' profile, norms and standards of behaviour. They are likely to withhold information that is not directly related to their human capital (and which make them stand out as 'East Europeans' such as their country of birth, foreign education or their need for a work permit) to prevent employers acting on their stereotypes. Therefore they seek *not* to stand out because they are foreigners, and wish that British employers would use a single frame of reference when screening their applications (see evidence from the US for the contrary in Waldinger and Lichter 2003).

Furthermore, I have also argued that social networks contribute to the sorting of migrants with similar levels of qualification into more polarised labour market positions at destination, depending on the composition of these networks. Professional network embeddedness facilitates the obtainment of higher professional and managerial jobs in London. Professional network ties are leading to former colleagues or student with similar occupation, working in the same industry; they are ethnically heterogeneous and gendered (i.e. dominantly male). Embeddedness in ethnic networks channel well-educated migrants into routine and manual occupations transforming the migration patterns of the well-educated similar to those of unskilled or semi-skilled traditional

migrants. Ethnic networks are occupationally heterogeneous and rarely contain co-ethnics with influential positions who could channel employment signals towards professional and managerial jobs.

Overall, I have found that social networks seem to be important yet invisible sources of labour market segmentation in London. Not only East Europeans professionals and graduates self-select according to their reference group orientation (see Chapter 4); network-based signalling is also highly selective among professionals. If East Europeans are members of a professional network, it is easier for them to surpass various labour market processes which is more difficult, time-consuming, or both for individual movers and more so for members of non-professional, ethnically homogenous networks. Yet, if social networks have centrifugal forces on the labour market of London, the process of accreditation or employers' practices of screening may not be as meritocratic as many foreign professionals and graduates perceive them to be. The following chapter investigates British employers' frame of reference and their current labour market practices in London.

7. Labour market practices

This chapter continues with the analysis of the social process of labour market incorporation, started in Chapter 6, in which I discuss further two stages of labour market processes as described by Jones (1996), and presented earlier. While in the previous chapter I was looking at the labour market practices on the ‘supply side’ that is, the ways my interviewees signalled their availability on the labour market, in this chapter I focus on the ‘demand side’, that is, on employers’ practices of screening, and the functioning of receiving institutions and structures in the accreditation and sorting of migrants into various labour market positions at destination. In the previous chapters I have showed that my ‘cosmopolitan’ and ‘home-oriented’ East European interviewees had different expectations from their mobility to London incl. labour market positions. Their level of English language knowledge, the country of issuing their highest degree, the British migration policy encouraging the entrance of certain ‘skills’ or my interviewees embeddedness in social networks had the power of creating segments on the labour market, directing equally well-educated Hungarians and Romanians into diverse labour market positions in London.

In this last empirical chapter I seek to understand the final stages in the labour market incorporation process of Hungarian and Romanian professionals. Significantly, I shall also use a measure of their labour market attainment based on the use of NS-SEC social class schema. I shall begin the chapter with a brief review of the main points of the literature regarding the social and institutional framework of labour market incorporation as presented in Chapter 1. Following this, I analyse the practices that my interviewees have encountered while negotiating their employability with British employers on the labour market of London, and seek to highlight those institutional and social constraints they have encountered which create segments on the labour market and hence limit their chances to find employment commensurate to their formal education and training. In the last empirical section of this chapter I shall describe the occupations my respondents found in London. The aim is to provide an outcome measure of labour market achievement and I do this by contrasting their current occupations with their pre-migration occupation. I finish the chapter by summing up the ‘demand-side’ constraints and practices that contribute to the segmentation of the professional and graduate labour market.

7.1 Institutions, employers and labour market practices

Neoclassical theories on migration cannot explain why people with similar levels of human capital receive different kinds of employment at destination. They assume that human capital can be transferred across borders and that it easily translates to similar occupational positions, independently of the sending and receiving settings. Structuralist scholars (e.g. Piore 1979; Wallerstein 1979) explain that labour market incorporation depends on the structure of the receiving labour market, which they see as being split between primary and secondary segments; because of the social mechanisms of the labour market, immigrants are only able to incorporate into the secondary segment. Institutional scholar (e.g. Reitz 1998; Cornelius and Espenshade 2001; Reitz 2002) argue instead that immigrants' incorporation does not only depend on the structure of the labour market; rather, it is an outcome of the common effects of the functioning of institutions and policies at the receiving end, especially the labour market, educational institutions and immigration policies.

Overall, there is a wealth of theories and different perspectives on how various scholars explain immigrant employment, but there is little empirical work on the social processes of getting a job or, indeed, employers' hiring practices. Rather, most research is concerned only with the outcomes of labour market incorporation, that is, immigrants' occupational status or earnings. Therefore in the following sections first I look at the process of employment search, employers' practices and the structural-institutions constraints professionals may encounter while looking for employment in London. Then I present their occupational attainment in order to have an understanding about where the process of negotiating employability in London for Hungarian and Romanian professionals and graduates can lead.

7.2 Screening and sorting

The term screening is used to describe the way employers and employees recognise the other party's technical and social suitability. It is also a mechanism by which markets

react to imperfect information about the qualities of individuals (Stiglitz 1975). Generally, screening involves examining a CV, interviewing, or inspecting premises or working practices. Although both employers and job seekers can send signals and screen information for each other, signalling is considered to be a labour market stage during which job seekers indicate their productive capacities, and screening one when employers assess job seekers' qualities. Weiss (1995) argues that the outcome of signalling (when job applicants move first) and screening (when employers move first) is 'sorting', that is, matching the right employee to the right job.

There are various ways for employers to make a hiring decision in general, to seek and evaluate job applicants' credentials, skills, knowledge and abilities. These assessment mechanisms are formal and informal, evaluate measurable and immeasurable human capital, and influence the entry positions of job-seekers on the labour market at destination. Piore (1979:19) argues that it is the employers, not the workers, and the jobs, not the income, that are strategic when analysing migration. He says that 'recruitment is the key to [the] migration process; recruitment efforts are systematically related to the requirements of labour for a particular set of jobs; [therefore] employers exercise choice in terms of workers they recruit for jobs'. In migratory contexts, screening – recognising and choosing the right candidate for the available job – has become increasingly difficult for employers. The variety of immigrant backgrounds, the diverse sources of their credentials, qualifications and work experience makes employers less certain about the inherent value of the knowledge and skills of the job applicant, and according to Bills (2003), this pushes them to rely more on job seekers' signalling of both their technical and social suitability.

My interviewees experienced three kinds of screening in London: linguistic, technical and social. In particular, employers evaluated their level of English knowledge, the value of their credentials, work experience and specific skills, as well as their social suitability for the positions for which they were considered. I shall now analyse each screening process in turn.

7.2.1 Linguistic screening

Whereas self-employed foreigners skip the screening stage altogether, in all other cases employers needed assurance of job applicants' technical and social suitability, and first and foremost they needed assurance of their linguistic suitability. My interviewees perceived the English language test – usually having the form of a telephone interview – as a pre-screening stage in the recruitment process:

After I expressed my interest for a job, my employers suggested a telephone interview. They called and we chatted about nothing for half an hour. You know, who am I, what do I do, why do I want to work in Britain, why do I want to leave Hungary, and so on... nothing specifically job-relevant. Then, when I came for a job interview to London, I asked them what the point of the telephone chat was. They said they wanted to see whether I can have a proper conversation in English. Apparently lots of people come to London without speaking English. [Ferenc, architect, HU->London in 2004]

The English language 'test' was a crucial step for employers. When recruiting for permanent or temporary, graduate or professional positions, employers looked first at job seekers' English language skills. An HR consultant in a major international financial institution pointed out:

That is important for all our candidates, not just East Europeans but anyone whose mother tongue is not English who wishes to work in London in this organisation. They need to be able to speak English fluently. Writing in English and speaking in English. Otherwise there is no point in carrying on with recruitment. [HR consultant in a major international financial organisation]

Good English language knowledge was mentioned as a crucial screening criterion not only by this particular HR consultant. Virtually all employers recruiting into professional positions required excellent knowledge of English. Moreover, in some positions employers pointed out that it is important for employees not only to speak and write fluently but also to be able to speak without an accent. As an HR specialist recruiting East Europeans into temporary positions argued, this is because British employers do not want to allow employees to be stereotyped by business partners, as that might be detrimental to business. To have accent-free speech in Britain suggests classlessness; internationally, those with accent-free speech will not be the subject of ethnic stereotyping:

In organisation there is a lot of talking on the phone [...] so it is very important to be able to speak [English] without a very strong accent. I think, those East Europeans who are working for me found it very difficult to talk to people in Britain and even more difficult to talk to people in the US. Just because somebody was hearing somebody with a strong accent they were already jumping to conclusions about who that person was. And it is

difficult to get your point across, if somebody has already stopped listening to you. [HR director of a middle-sized international financial organisation]

Csenge, a Hungarian actor's lack of accent-free English speech is the reason why she continues to be discriminated against in the labour market:

Initially I didn't speak English well, fair enough, I didn't even try to get a good job. [...] Yet, in the evenings I went to a theatre school. Now I speak English well, but I receive only those roles where there is an 'accent': generally playing prostitutes. What foreigners usually play... [Csenge, actor, HU->London in 2000]

Proficiency in the destination language has been shown to be an important driver of earnings amongst immigrants in various developed economies, especially among the better educated (Chiswick, Lee et al. 2006). The level at which migrants speak English also affects the types of jobs for which they feel qualified to apply, and the hiring decisions of employers. Often migrants do not apply for jobs for which they think their English language knowledge are not good enough. Marin described with great enthusiasm the level of English migrants perceive they need for work, which leads to self-created segments on the labour market:

My wife came after me in 2005 and she has a big problem with English. She suffers from the same complex that I have seen in other Romanians too: she is afraid of talking. I think this is a typically Romanian complex. [...] If they are not speaking [English] at academic level, better they don't speak at all. This is the biggest stupidity ever! The idea is to communicate and not to talk at academic level! My wife is at this stage: she controls herself all the time, when she didn't use the *if-clause* properly or *past perfect continuous* or whatever! Eh! Use that bloody *if* and after it whatever you feel like it would fit with the sentence. Who cares if it is not correct as long as the shop assistant understands it! She is an architect and she says, in order to be professional, she needs to speak English very well. Therefore she hasn't even looked for architect jobs yet. [Marin, manager, RO->London in 2004]

Linguistic screening is used not only to check whether potential employees from Eastern Europe speak fluent and accent-free English, but also to find out about their specific non-English language skills. As the same HR specialist pointed out, companies that do business in Eastern Europe strongly rely on foreign graduates as cultural and linguistic bridges between Britain and their home countries:

I think there would be a lot of people who could do the job; it is not specifically that East Europeans can do it only. For us the most important skill they have to offer is being able to be the bridge, to form cultural transit between different cultures. Everything from the basic things such as for example when do certain East European countries have holidays. Of course, you could look it up, but it is not necessarily official holidays... like one day is an official holiday, but it is *really* a whole week... and these people know that. [HR assistant in a major international financial organisation]

The interviewees said the same. Csaba, an investment banker, pointed out that career starters are likely to be employed in jobs where their specific language skills are needed; with promotion, however, the importance of knowing East European languages decreases:

I was working until 1998 at my previous employer [...] focusing on Hungary, speaking most of the time Hungarian. [...] Then I changed to a German bank [where] I was not focusing anymore on Hungary but on the whole of Eastern Europe. I spoke sometimes Hungarian, but not that often. [...] After a year I was promoted and transferred in another section to focus on Western Europe. Here I hardly ever use my Hungarian. [Csaba, investment banker, HU->London 1997]

Employers' reliance on East European language skills largely depends on business cycles. During the 1990s, when businesses in East European emerging markets were going well, Hungarian or Romanian language knowledge was a personal asset. Now being able to speak Chinese, Russian or Arabic is more useful:

During the 1990s emerging markets [in Eastern Europe] were booming and many arrived to work in London for this. But this has ended. Now being Hungarian doesn't have any value added anymore. Back in the 1990s it had. Now nobody cares whether you speak or not Hungarian. [István, investment banker, HU->London in 2002]

The end of East European emerging market boom certainly explains why only 20% of the respondents to the online survey stated that knowledge of Hungarian or Romanian was relevant for their jobs in London. Currently only intermediate, often temporary, occupations and very rarely graduate jobs are likely to rely on migrants' specific language skills. As migrants move into professional and managerial occupations, the relevance of their specific language knowledge other than English decreases. In fact, dealing with home country businesses is a status indicator within the professional ethnic community in London: employees perceive having higher standing and occupational prestige if they do *not* use their specific language knowledge in their jobs, and do *not* work exclusively with businesses in Hungary or Romania, but with those in a broader geographical area, sector or industry. Those who have jobs that deal with general or international business rather than their home country's business are proud of their achievement:

The majority of the Hungarians in London deal only with Hungary or, in better cases, with Eastern Europe. I'm not. The fact that I am Hungarian hasn't had any relevance to what I do whatsoever. I speak in Hungarian only to the Hungarian Central Bank, because they are also one of my clients and of course, it is pretty easy for me to speak Hungarian to them... But I cover everybody, from the World Bank to Finland. [István, investment banker, HU->London in 2002]

The level one speaks English in London is thus the most powerful facilitator of human capital transfer and the primary creator of labour market segments. Nevertheless, there is one exception. The language requirements for elite professional movers, with

significant work experience, experts in specialist fields of knowledge, are not as strict as they are for graduates or young professionals. A matching article title from *The Economist* 22/03/2008 pointed out the very same: ‘CEO wanted, English not required’. László’s move to London was not facilitated by his proficiency in English (in contrary, his level of English would have represented constraints to accessing the London labour market), but by his expertise in the field within which he was due to take up a senior position in London:

Even my daughter speaks better English than I do. But frankly, nobody cares. [...] I deal with strategic issues, there is my added value. My secretary can correct my grammatical mistakes in written documents, and the others should try to understand my point. [László, director, HU->London in 2000]

In general, proficiency in English allows the transfer of human capital, and the reproduction of former occupational status or upward mobility; lack of it limits the entry of migrants to semi-skilled and unskilled labour markets, despite their university level education. Language skills are possibly the most important source of labour market segmentation in London. The segments are not only created by London-based employers who want to offer jobs to those proficient in English. As I showed in Chapter 5, one’s level of English knowledge is also a powerful source of self-selection. Language knowledge encourages individuals to engage in cross-border mobility. Interviewees pointed out that learning English, French or German at home made them more prone to visit Britain, France or Germany to study or work; hence, the kinds of foreign language they speak restrict their choices of destination.

7.2.2 Technical screening

Once they are confident about a potential employee’s linguistic skills, employers who recruit for full-time, permanent positions screen applicants for their technical and social skills. Virtually all foreign job seekers, whether they signalled their availability through market or non-market channels, are screened formally: first, by typically completing an online application form, then by interviews. The online application is the tool for the technical screening to find out about applicants’ qualifications and work experience:

There is one way only: an online application which every candidate needs to complete. That is the process. [...] East Europeans are screened exactly the same way as the others, with

other degrees. We have some set processes. We have an online application system, so all candidates would apply online and their application will be screened. We get people from those countries to screen the application from that country. So if you are French, someone who is French will screen your degree. It is the same with Russians, for example, so... you know... that is because we want people to understand the academic background. [HR consultant in a major international financial organisation]

From this account of the HR consultant one would think that employers use a single frame of reference when screening the applications they receive, just as my interviewees were hoping for when seeking to signal characteristics which do not 'stand out' (see Chapter 6). Yet, most of the literature on professionals' economic incorporation focuses on this stage of the labour market process. Some scholars explain unsuccessful incorporation as being the result of employers not recognising foreign credentials or work experience (see Peixoto 2001; Zulauf 2001). In migratory contexts the recognition of credentials is more complex due to the additional factor of internationality that is at the heart of cross-border mobility: migrants' credentials are not achieved in the same national context as the one in which employers have to assess them. The non-recognition of credentials by employers, formally or informally is found to lead, however, to migrants' lower returns to foreign education or experience than for similar education and experience acquired in the host country, after immigration (see Chapman and Iredale 1993; Ferrer and Riddell 2004).

While I was expecting to come across problems getting East European educational credentials recognised, the majority of the Hungarian and Romanian professionals and graduates who I interviewed did not mention any difficulties. The reason for this was surprising given conventional assumptions about East European migrants. Despite their human capital transfer being geographically an East–West move, in terms of formal certification of qualifications their move was a West–West one. As described earlier, nearly half of my interviewees had credentials acquired at British or other Western universities. For them, just as for Irina, non-recognition of qualifications was simply not an issue because of the international value and prestige of the credentials they were holding:

I have graduated one of the top universities [in the US], and in my area it is in the top three. This was very important on finishing my PhD. When I had to throw myself into the job market and apply for jobs, all doors were open for me; I received job offers from all over the world, including Britain. [Irina, lecturer, RO→London in 2002]

Prestigious Western education, usually at postgraduate level, made Hungarian and Romanian professionals and graduates pass the accreditation stage quickly.¹ So did Western types of educational credentials, acquired in the East European offshore campuses of American or Western European universities. By being educated in a context that is perceived to be similar to any British university, Arnold admittedly was socialised to Western norms and standards of education and work:

I graduated from an international university in Budapest [...] where all courses were in English. Our lecturers were mainly foreigners, from the US or Germany; there were a couple of Hungarian teachers, but they also had lectured in English. So we learned from English textbooks, according to the English curricula, had exams in the English system. [Arnold, investment banker, HU->London in 1999]

Going to Western type of universities in Eastern Europe is far from common in Eastern Europe. As already pointed out in Chapter 4 and strengthened by Arnold, good quality private universities are not only an exception in Eastern Europe, but are also highly selective among those financially capable:

My school was a great but also strange place. Strange people attended it and I also felt myself as being part of a minority. My parents are not very rich, and are definitely not new rich, so I was not a typical student. [...] Additionally, I considered myself smart; my year was not full of rocket scientists. I wanted to learn; the majority were there for the graduation certificate only. [Arnold, investment banker, HU->London in 1999]

The accreditation of those foreigners – including East Europeans – who can certify that they have had British or other Western education seemed to be a routine process on the British labour market. This on the one hand supports Bills (2003) who argues that information rich credentials conferred by socially trusted schools are increasingly linked to labour market outcomes, whatever the level of knowledge actually gained from the degree is. On the other hand, highlights the role of British educational institutions in channelling foreign students onto the British labour market, as suggested already in Chapter 5.

While nearly half of my interviewees were British or other Western European graduates, the other half have degrees from their home countries. Those who receive Western credentials are likely to be part of the thin layer of ‘elites’: intellectual elites

¹ Labour market accreditation depends broadly on the formal recognition and social confirmation of a future employee’s credentials. Accreditation proposes a ‘formal certification, but it could be a social or even a physical confirmation that the potential employee has preferred qualities: training, strength, language, gender, skin colour, means of production, and so on. [...] Accreditation occurs through the completion of apprenticeships, training and educational courses, or simply by recognition of adult status in certain ethnic and occupational communities. [...] Accreditation is the acquisition of membership of a labour market’ (Jones 1996:116).

who either obtained scholarships for postgraduate studies abroad because of their higher level of human capital; or, less typically, financial elites whose families could afford investment in education, either abroad or in a good private university at home. István, a Hungarian investment banker educated mostly in Hungary stressed the importance of having ‘information rich credentials from socially trusted schools’ (see Bills 2003), and despite his exceptional results, had little confidence in his ‘information poor’ Hungarian credentials or, indeed, work experience:

During university I was thinking about going abroad for work. But I never tried to obtain any job in any other country than Hungary. I thought I would never have the chance. Proving abroad that you are worth at least as much as a native is not easy. What do British employers see in a Hungarian CV? Nothing. They don’t have a clue what each line means. You need to work in a very narrow segment in order to have a chance of being known.
[István, investment banker, HU->London in 2002]

István’s account shows how ‘information poor’ credentials can fail to guarantee labour market accreditation. Whereas degrees from universities with international reputation open doors for their graduates, degrees of ‘unknown’ universities, however good they are, do not help graduates in any way. Yet, many of my interviewees graduated from prestigious Hungarian or Romanian public universities, often from the most popular and competitive specialisations,² often studying for a short period at a different European university on Erasmus or Tempus scholarships. Nevertheless, failing to get accredited for their non-Western degrees made them transfer their undergraduate degrees via British universities (see Chapter 5). This transformed them, strictly speaking, to British graduates, making in their case unsuitable to speak about East–West labour mobility (rather, East–West educational and West–West labour market movement).

The practice of ‘transferring’ East European degrees through British universities to British labour market outcomes seems to be reflected also in the patterns in which students are enrolled at British universities. LFS data show that the likelihood of Hungarians and Romanians obtaining their highest educational degree in Britain has increased since the early 2000s. This may suggest that more East Europeans students in Britain are staying on for work than during the 1990s; but it may also suggest that East Europeans return from the labour market to universities in order to surpass ‘glass

² Such as finance or international business at the University of Economic Sciences in Budapest or at the Academy of Economic Sciences in Bucharest, architecture at the best technological universities in Budapest or Bucharest, law at the Eötvös Lóránt University in Budapest, and so on.

ceilings' in their careers. Cristian gave an example of how East European graduates are discriminated against informally when they look for promotion:

As a project manager I don't take big decisions. The strings are pulled at a higher level. And, unfortunately, independently of how hard I work, they were letting me understand that if I want to stay within the company, I don't have a bright future... because I don't have the credentials that the Brits have with their degrees from here. I graduated in Romania. If I had graduated in Cambridge – even if IT in Cambridge is something ridiculous compared to what is taught in Romania – I could realise more in terms of my career. So I started to think, what would be suitable for the studies I have, for the skills I possess and what qualification would I need for this part of the labour market? And I said: an MBA.
[Cristian, IT engineer, RO->London in 2001]

In this way, British educational institutions contribute powerfully to the creation of segments on the labour market. Having a British degree not only leads to higher income (as per previous section), but it also represents a tool of breaking the 'glass ceilings' in Hungarian and Romanian professionals' careers in London. Just as Iredale (2001) argued that standardisation of qualifications enables the mobility of Western-trained professionals and limits the mobility of non-Western trained professionals, British universities also make it easier for British trained East Europeans to access or be promoted on the labour market, which makes it less easy for non-British trained East Europeans to access it. Although it is the employers who perpetuate the segmentation between British (or Western) and non-British (or non-Western) graduates by making it easier for the former category to get through the accreditation and screening stages of incorporation, British universities create segments by selecting among potential students, both abroad and within those already in the country. Externally, they attract foreign students from abroad by offering scholarships, and because of the reputation and prestige of British universities. Internally, they attract foreigners who are already in Britain by setting the standards of qualification and interlinking it with the practices of the British labour market.

Immigration policies regarding Hungarian and Romanian citizens not only regulate their right to access the British labour market but also define the extent to which professional bodies formally recognise their credentials. By doing this, various immigration regulations contribute to the creation of labour market segments, split between those whose mobility is policy endorsed and encouraged, and those whose migration is only tolerated. The interviewees who pointed this out needed accreditation from a professional body (e.g. for doctors, architects or accountants) before they could access the labour market. Anna was a striking example of this. She is a physician with twenty

years of work experience who moved to London because of her husband's job. In her experience British professional bodies indirectly restrict foreigners' access to professional, highly specialised occupations:

I think I was the first on 1 May 2004 at the door of the British Medical Council. I needed to register with them; otherwise I am not allowed to practise my profession. [...] The process was quite easy since at the very beginning nobody knew anything really and everybody was relaxed and calm. So by handing in all the necessary documentation I completed my registration easily. Nevertheless, three months afterwards a supplementary decree appeared... the Brits were afraid that East European doctors will flood Britain... so the decree stipulated that doctors were only allowed to register if their specialist exams were taken after 1994. This means the Brits want the young [doctors] only. Those who cannot apply for consultant positions. So they say they want the young but in fact they want those who do the medical donkey work. [Anna, physician, HU->London in 2003]

According to Anna, the policy of only allowing young professionals to register means that only those with little or no work experience are accepted. Those with more substantial work experience are recruited to entry-positions only, or not at all. With twenty years of work experience Anna did not want to apply for entry-level jobs, but she was not accepted to professional positions either. She thinks there are two reasons for this policy: cost-cutting and protecting specialised jobs. In her view, British employers prefer staff to be employed below their professional qualification because this is a business solution for decreasing costs:

Often I think that [UK] employers actually do not want to recognise diplomas or experience. By getting more experienced people in less experienced jobs they often get the most out of the people, but pay less. This is surely so among medics. Doctors will always solve the problem, even if they are not employed to do so. After all, it is about a patient's life and we are dedicated to heal... who cares in that moment about the payslip? And hospitals know this very well. [Anna, doctor, HU->London in 2003]

This way, immigration policies, regulations and institutional practices can restrict the access of foreigners to certain jobs, at certain levels. Not recruiting into professional positions keeps these few and well-paid openings free for the native workforce. Anna continues her account:

The problem is quite complex. [...] In Britain the specialist training lasts seven years. Then doctors start to work... promotions are very slow...until one reaches consultant positions and starts to work, having full responsibility, on good wages and for only four days a week... it takes ages. [...] There is a fixed number of positions [in Britain] for specialists like me. This is a closed circle: the battle is for the money and it is very difficult for people to join the circle; foreigners almost not at all. By issuing this decree [in September 2004] they automatically exclude those who would apply for consultant positions. I could register because I applied before the decree was issued, but nobody wants to give me a job. [Anna, doctor, HU->London in 2003]

In other cases, employers hardly ever asked for formal proof of equivalence of non-British diplomas. This practice delivers evidence to those scholars' arguments who say

that in fact migrants' overall human capital is the object of transfer during the process of migration; hence employers are concerned with the recognition of migrants' 'brains' rather than their qualifications (see e.g. Salt 1992b). Ferenc, a Hungarian architect was surprised that his employers do not care about their diplomas at all:

I had a bunch of documents, I even made an official translation of my diploma, but my employers haven't even looked at my papers. They were interested in whether I can use the software with which they work; whether I know what am I doing; and whether I speak English. They couldn't care less about my qualifications. [Ferenc, architect, HU->London in 2004]

In all situations work experience was given higher value than qualifications. Contrary to the academic belief that general skills have higher transferability between countries than job-specific skills (see Chiswick, Lee et al. 2005), when East European professionals and graduates had credentials proving they had specific skills they had easier access to the British labour market than if they had credentials proving they had generic skills. Some British employers guarded against educational inflation by under-using educational credentials as job qualification. Other studies have also found the British employers of graduates and professionals are skill- and not school-based recruiters. Woodley and Brennan (2000), for instance, found that British employers want adaptive recruits who can rapidly fit into the workplace culture, work in teams, exhibit interpersonal skills, communicate well, take on responsibility, and perform efficiently and effectively. They want adaptable people who can use their abilities and skills to make the organisation evolve through bright ideas and persuading colleagues to adopt new approaches, and they want transformative employees who can anticipate and lead change, who have higher level skills, such as being able to analyse, critique and synthesise. Reitz (2002) found that characteristics of skill-based hiring are that employers do not defer to domestic qualifications unjustly, and they recognise foreign qualifications. Most of the interviewees found that British employers used skill-based hiring methods and stressed their competence:

Personal ties were important at the beginning only. They possibly spared my time completing an online application form. But [my employers] would have not hired me if I had not known what I was supposed to know. I was called to an interview in London and spoke with sixteen people in one day! [...] These people are strict: if you do not perform, you can be the nicest person in the world, they thank you for your participation and let you go. [István, investment banker, HU->London in 2002]

Lacking proof of 'skills' or work experience, employers perceived educational qualifications as a signal only, which does not reveal much about individuals' productive capacities. In their minds, schooling potentially augmented productive capacities only for

those Hungarians and Romanians who had been accredited by and accessed the British labour market through Western or a Western-type of education. Dan pointed out how much easier it was for him to find a job just because he was not socially outstanding:

I had two advantages over my British colleagues: I was lecturing already during my PhD and I had a published article in a UK journal. All this does not mean that I was star, but a potential star. That one of my writings was accepted in the British academic environment; that it was published in an intelligible language, here in Britain, after these standards, in a peer-reviewed journal. Practically, I was after the [UK] standards and that made my employer's decision easy. [Dan, lecturer, RO->London in 1997]

Being 'after the standard' supports Rosenbaum and Kariya's (1991) findings that signalling and screening is embedded in a social infrastructure within which employers have different levels of trust in the information they use. Dore and Oxenham (1984) argued that employers are in fact quite rational when they choose to recruit those with better school records over those with worse (despite the fact the school records signal something about a person's learning ability, not about their substantive knowledge or skills): not because of any particular thing learned in the course of acquiring better qualifications, but because the better qualified are believed to be brighter in the first place. Furthermore, employers' selective trust in information does not only concern the quality of education job-seekers receive, but – as an HR assistant pointed out – also that of work experience:

It is quite difficult to judge the foreign work experience unless it is in an international company. You cannot really know based on what standards the company operated, unless it is an international one. Not to say that all East Europeans companies are bad, but there is a spectrum. So unless you know that particular company, you don't really know what that work experience is. If you can tell the story about your work experience, your school experience, and you can articulate that in English and say how it is relevant [for the job] that is the most important thing. [HR assistant in a major international financial organisation]

As the HR assistant pointed out, employers strongly rely on job seekers' signalling. Whereas they can assess qualifications and work experience familiar to them, in the case of unknown credentials they can only trust job seekers' signals. Trust, on the other hand, is a social variable; whose information employers trust largely depends on whether they consider the job applicant socially eligible or not.

7.2.3 Social screening

Employers' trust in East Europeans' credentials, work experience and social suitability plays a crucial role in British employers' hiring decisions. Although British employers are unlikely to informally recognise non-British or non-Western credentials and work experience, interviewees rarely encountered informal hiring queues based on group characteristics (such as ethnicity, race, age, gender). Yet, Anna, an experienced doctor felt she dealt with an exceptional situation:

For the British [employers] Hungary is still equal with a territory behind the Iron Curtain, we are still the dark East. Many fear me really when I say I am Hungarian and I am a doctor. They look at me as if I would kill, at least. So not only do they not trust in my knowledge to treat a patient properly, but they even think that I seek the patients' harm.
[Anna, physician, HU->London in 2003]

Bean et al. (2001) argue that labour market segmentation can occur along factors generically called 'ascriptive characteristics'. The most widely discussed ones are gender (e.g. Kofman and Raghuram 2006) and ethnicity (e.g. Waldinger 1994) that influence employers' hiring practices. Once employers had positive experience with one immigrant group of whatever ascribed characteristics, they continue to hire from the same group in the future and place other groups lower in the queue. This way ascribed characteristics become stereotypes defining social eligibility:

East Europeans tend to be very hard working. I don't know whether that has something to do with their schooling or their work, but it certainly comes across when you work with East Europeans. This is a very hard thing to come across during the interview... how can you see whether a person is hard working or not?! But I think, once you are employed, that is one of the key things. [HR director of a middle-sized international financial organisation]

Jones (1996:117) highlighted the importance of relational processes by which employers select among potential recruits. He found that employers' judgement is likely to start from social criteria of suitability: whether the potential recruit fits within their definition of the appropriate social category and the ascribed characteristics of the available job. Ascribing social value to foreign professionals' and graduates' human capital depends not only on measurable factors such as the individual's age, sex, date of arrival, country and level of training, or English language ability (Chapman and Iredale 1993), but also on immeasurable factors such as the stereotypes and opinions of employers about the quality and relevance of foreign credentials, qualifications and

work experience (Zulauf 2001). Therefore immigrants can face barriers to labour market incorporation because of existing systematic discrimination within receiving societies.

For employers, social eligibility means having the 'right attitude' to work. Waldinger and Lichter (2003) pointed out that this attitude comes in two forms – 'good' and 'bad' – and derives from the inherently social nature of work. HR professionals working for recruitment agency emphasised that social eligibility is often more important than qualification or work experience recognition:

To be honest, university education or degrees make little difference. What is important is prospective employees' attitudes: to be friendly, nice, to be able to communicate... these are the skills employers want, they do not look at credentials at all. I would say, to have the correct attitude... that takes up about 70% of the recruitment decision. The rest is... you know, general computer skills, to be organised, and so on. At the [graduate] level we recruit people, employers frankly do not care about the degrees people have. [HR consultant of a major international recruitment agency]

Communication skills are absolutely essential. [...] I think less [about] their credentials and work experience, more their attitude is what really counts. [HR director of a middle-sized international financial organisation]

The importance of social eligibility over technical suitability for employers can be, however, a source of under-employment for many East European applicants. Employers and recruitment agencies who recruit graduates only for the time of a project, for instance, often because they need the foreigners' language skills, acknowledge that applicants are sometimes over-qualified for the jobs they are doing. Jones (1996) argues that employers seek applicants who fit with the ascribed characteristics of the available jobs; in fact, he found that employers indeed start by considering social criteria. An HR consultant in a major international financial organisation pointed out this as well:

There are things that we are looking for in a trader that we wouldn't look for in someone if we recruited that person into corporate finance. This does not apply only to East Europeans, this applies to everybody. So traders need to have decisiveness, ability to take risks, being calm under pressure. And these are slightly different things than those which we would look for in an investment banker. Where we would seek confidence, you know, communication, persuading, influencing skills, professional style, those kind of things. [HR consultant in a major international financial organisation]

East European professionals and graduates, especially those who work in the City, stress the importance of having the right social characteristics and attitude as well:

Only two weeks after I started my trial period we arrived at that stage that they started to trust in me because they realised I understand what banking is about. So to say, I was that type of person who they could take with to a meeting or negotiation and I didn't made a fool of myself or the company. [...] People skills are very important in banking; it is important that the client likes you from the very beginning. [Arnold, investment banker, HU->London in 1999]

István, another investment banker, explains this further:

My job has bits of sales, execution and consultancy. People work with people, so building trust in each other is essential. If you are the client and you hate me, despite the fact that my company is the best, you won't make the deal with me just because you don't like me. And there are ten other dealers you can call. Therefore you need to have excellent relationship-building skills, good communication skills; you need to be such a person that awakes trust in others. [István, investment banker, HU->London in 2002]

Individual competencies such as awaking trust or having the 'right' attitude are hard to measure. Social screening is therefore the most subjective process of the three kinds of screening my interviewees had to undergo. Yet, the importance of social screening for British employers explains the labour market success of those professional and graduate migrants who were better embedded in professional networks than their market-mover peers. Social network membership often makes respondents surpass the social screening stage of the labour market processes, since social capital towards the network serves as guarantee for social suitability at workplace.

7.3 Occupations, earnings and social class in London

After understanding the social process leading East European professionals and graduates to jobs in London, it is time to turn to the quantitative evidence deriving from my research: on average, what kind of jobs did my respondents receive? How do they compare to the native population in terms of income or social class position? While I try to assess the labour market attainment of these migrants I must acknowledge that measures are somewhat limited.³ Nonetheless, the evidence on social mobility and wages is suggestive at least.

Overall, my interviewees seem to be well placed on the British labour market. The vast majority of the online survey respondents are employed (91%) – compared to 84% of A8 citizens and 75% of British-born (IPPR 2008). 83% work full-time, 75% are continuing or 'permanent' contracts, and 67% are in the private sector. There is no significant difference across gender: women were as likely as men to be employed, full-time, permanently, in the private sector, in both managerial and routine occupations.

³ As I have already mentioned in Chapter 3, the evidence derived from the quantitative part of my research should be treated as informative rather than representative and therefore generalisable to the wider population of Hungarian and Romanian professionals and graduates in London.

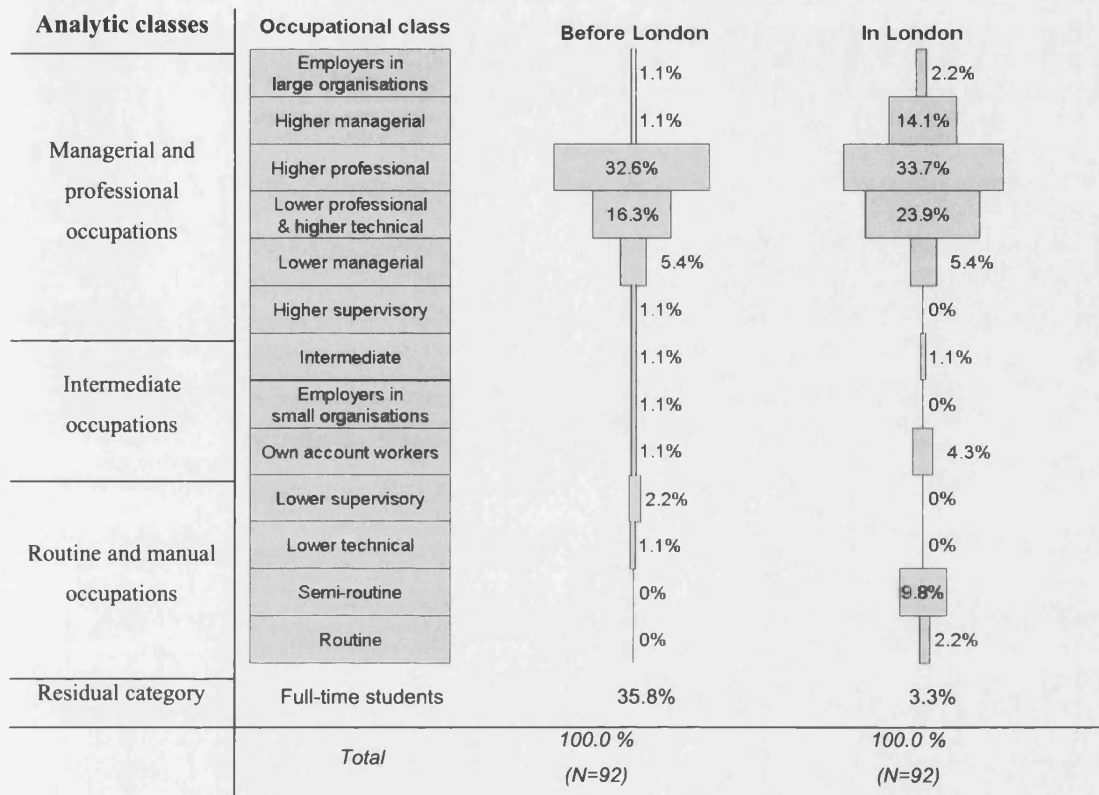
Before coming to London, 57.6% of the respondents had professional or managerial occupations, 3.3% had intermediate occupations, and 3.3% routine and manual occupations; 35.8% were full-time students.⁴ In London, 79.3% were employed as professionals and managers, 5.4% had intermediate and 12% routine or manual occupations.⁵ At first sight, the occupational positions of the surveyed professionals and graduates are more polarised on the London labour market than on the labour market of their home countries. Yet, the polarisation in occupational terms is not something specific to Hungarians and Romanians. Compared with the British-born population, which is split almost equally between those with professional and managerial (36%), intermediate (32%) and routine (32%) occupations, the foreign-born population of Britain are in socio-economic, occupational terms more polarised anyway. Rendall and Salt (2005) pointed out that foreign-born people are more likely to be in either higher or lower skilled jobs than somewhere in the middle.

Figure 10 compares the occupational class respondents had in their home country with the one they have by working in London, and indicates that for a significant number of the interviewees geographical mobility may be connected with upward occupational mobility: whereas only 57.6% of the respondents had service-class jobs at home, in London 79.3% were employed as professionals or managers (concentrated in finance, business and management, academia, or less typically in architecture or advertising).

⁴ When looking at my interviewees' occupational class position, as pointed out in Chapter 3, I follow the National Statistics' Socio-Economic Classification (NS-SEC) which uses Goldthorpe's class schema (see also Goldthorpe 1987, 2000; National Statistics 2005). The Goldthorpe schema follows a well-defined sociological position that employment relations and conditions are central to delineating the structure of socio-economic positions in modern societies. Goldthorpe makes a distinction between *service relationship* and *labour contract* based employment conditions. The former typifies senior managerial, professional and administrative positions ('service class'); the latter typifies positions in the working class and entails relatively short term, specific exchanges of money for effort. The NS-SEC follows this distinction by creating three aggregate analytic categories of occupations (out of its 17 operational classes): professional and managerial occupations ('service class'), intermediate occupations (mixed form of employment relationship), and routine and manual occupations (labour contract).

⁵ Anderson, Ruhs et al. (2006) found that more than one-third of East Europeans working in low wage, low status occupations are in fact well educated and/or experienced. Generally, in all OECD countries, immigrants are more over-qualified than the native-born. Women, recent immigrants and those from outside the OECD are most likely to be over-qualified than the rest (OECD 2007).

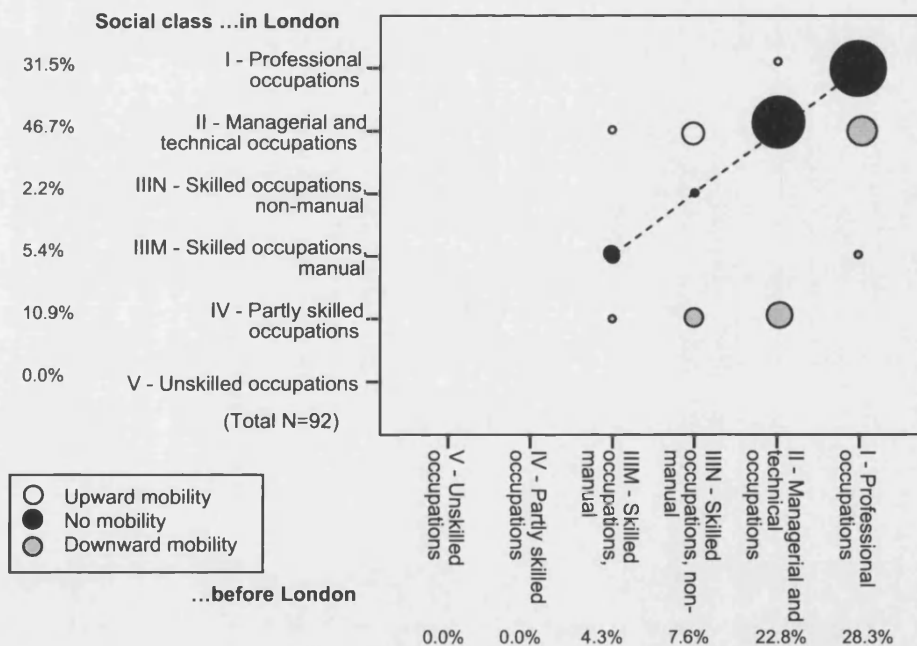
Figure 10: NS-SEC occupational classes before and after coming to London



The reason for this apparent increase in the number of respondents who obtained higher professional or managerial positions is not a 'pure' upward occupational mobility: the figures include details of former students entering the labour market for the first time, who received service-class jobs after graduation. Most of the former students found jobs commensurate with their qualifications: on their arrival they took up either graduate or entry-level jobs typically in higher (27%) or lower professional and higher technical (35%) occupations; managerial occupations were available for only a few (12%). Some 12% of former students found employment in London in semi-routine or routine occupations and 6% started to work on their own account. Students graduating in Britain or other Western country were more likely to obtain service-class jobs than those with their highest degree issued in Hungary or Romania, emphasising the unequal value of tertiary level education on the British labour market (and, conversely, problems around qualification recognition).

Since someone's occupation can be regarded as an indicator of their social class, the earlier mentioned operational categories can be aggregated to produce a hierarchical approximated social class based on occupation and approximated socio-economic group (see Goldthorpe 1987). Coding the occupational categories into the relevant social class and looking at the overall emerging pattern, 41% of surveyed professionals and graduates are in the same social class in London as they were at home (see Figure 11). Those respondents who were not in the same social class in London as the one they had been in at home were more likely to be socially downwardly mobile (16% of respondents) than upwardly mobile (7% of respondents). While these do not reveal the fine differences among the professional, managerial and technical occupations most of my interviewees have obtained, they do give an informative picture on the broader mobility patterns.⁶

Figure 11: Social class before and after coming to London



⁶ With graduates entering the labour market, one could argue that the social class structure in London changes (many of the graduates found employment in London in higher and lower professional as well as higher technical occupations that define their class position within the two top ranks of the service class). Assuming that changing from student status to professional and managerial class status means upward social mobility in one's own life, the overall upward mobility increases for 34% of the respondents. Similarly, assuming that obtaining skilled non-manual or manual as well as partly skilled occupations after graduating from a university is downward mobility, the overall downward social mobility increases to 25% of the respondents.

Although there is no significant difference between men and women regarding home and host occupational or social class positions, gender differences emerge when looking at their salaries and the amount of work they do, as presented in Table 17.⁷ Male respondents are working significantly longer hours a week (47 hrs) than females (42 hrs); they also earn significantly higher annual salaries (average £32,500) and hourly wages (average £14.4) than their female counterparts (average £20,500 annually and £10.2 hourly) or than the average British employee at the time of my research (£22,000 annually and £9 hourly).

Table 17: Annual salary, hourly wage and weekly hours worked by occupational classes in London

Occupations	Average all occupations	Managerial and professional	Intermediate	Routine and manual	Full-time students
Years of work experience (standard deviation)	8 years (6)	10 years (7)	6 years (6)	4 years (3)	3 years (2)
Annual salary	£26,500	£30,600	£17,200	£9,600	£5,300
Hourly wage	£12	£14	£8	£5	£8
Weekly hours worked	44h	47h	42h	38h	15h
<i>Total N=92</i>	<i>N=92</i>	<i>N=73</i>	<i>N=5</i>	<i>N=11</i>	<i>N=3</i>

The obtained income in London should not only be differentiated across occupational class and gender, but also across the country of issuing migrants highest degrees. Labour economists found that employees with foreign qualifications generally earn less than those with local credentials. The split is not a simple local-foreign differentiation, however; rather, there are differences in the earning power even among foreign qualifications, depending on where they were obtained. When modelling immigrants' over-qualification, a recent OECD (2007) study has found that when the 'origin of diploma' variable is introduced into a logistic model, the effect of the 'immigrant' variable is no longer significant. This means that university-educated immigrants'

⁷ The questions were 'What was your take home pay (after all deductions) in GBP the last time you were paid?' (open question) and 'What period did it cover?' (closed question with one possible choice of one week, two weeks, four weeks, calendar month, quarterly salary, annual salary, or other period), with 95% completion rates. From these I calculated the annual salary. I obtained the hourly pay by dividing the annual pay with the number of worked hours ('How many hours do you usually work per week, including any paid or unpaid overtime?').

occupational attainment is in fact more strongly related to the country where their university diploma was obtained than to their immigrant status *per se*. This finding is important when keeping in mind that nearly half of my respondents were educated outside their home countries, with 30% alone educated in Britain.

In fact, *The Economist* (03/02/2007) reported that a British university degree promised a bigger income premium in the past than in most other OECD countries. They argue that this has changed, however: the initial average returns to British degrees are now small. Nevertheless, among my respondents, those who were British-educated earn on average £5,000 more yearly than the non-British educated (£30,000 and £25,000 respectively). Thus those with a local degree earn on average more than the others, and for those who were educated abroad, the country where they qualified affects their earning power. The earning hierarchy of annual wages of Hungarian and Romanian professionals and graduates, depending on the country of graduation of their highest degree (and controlling for the effects of work experience) is as follows: US (£55,000), Britain (£30,000), Western Europe (£28,000), Hungary (£25,000) and Romania (£18,000).⁸ Although the sample is small and the difference is statistically not significant, it is nonetheless striking (and supports the OECD report's findings): it indicates that East European degrees may have a lower labour market value in Britain and hence can explain why a larger share of Romanian-born than Hungarian-born people are enrolled in British postgraduate courses.

Overall, there are two emerging models of social mobility among the East European professionals and graduates in London: a strong model of reproduction of prior social class position as well as of slim upward social mobility (valid for three-quarters of my respondents); and a weak model of downward social mobility (valid for one-quarter of respondents). The dominant pattern of social class reproduction is in migratory contexts theoretically surprising, since it is expected that individuals' geographical mobility is driven by the desire to enrich, to gain or to grow. However, it is less surprising if one bears in mind the findings of previous chapters: first, that East European professionals are not the traditional economic migrants; rather their mobility is influenced at least as

⁸ *The Economist* (20/10/2007) reports the same trends in salaries, quoting an IPPR study. From the overall foreign-born workforce, independently of their level of education, the US-born earn most (£37,000). This is followed by French-born (£26,000), British-born (£21,000) and Polish-born (£16,000).

much by their desire to apply and to increase their human capital. Second, that London represents for many of them the 'place to be', offering monetary, symbolic and cultural returns to their mobility (doing the same job in London rather than at home offers not only higher income, but also increased occupational status and prestige, and added cultural experiences). Therefore, East European professionals subjectively evaluate their move to London as being positive, even if objectively they are 'only' working at their previous occupational level and are in the same social class as they were before they moved. Piore (1979) argues that immigrants' labour market practices can be better understood in terms of the specific attributes of the jobs available to them and the meaning attached to these attributes in the social context in which work is performed. Employment might therefore have different social meanings in different labour markets because of the two markets' diverse social constitution.

7.4 Summary and discussion

In this chapter I showed that many Hungarian and Romanian professionals and graduates find service class jobs in London. Even so, it is also clear that a minority work in intermediate, routine or manual occupations in London. Significantly, the proportion who do so is greater in London than in Hungary or Romania. This suggests that the occupational positions of my sample are more polarised in London than in their country of origin, emphasising that not all professionals and graduates succeed in transferring their human capital across borders. This finding challenges nevertheless one of the main assumptions of professional migration theory: that human capital is automatically transferred with the mobile individual. While investigating this process I have found that the source of this increased polarisation lies in the functioning of various institutions in London as well as employers' practices of screening, rather than in the dual structure of the British labour market. With these findings my research widens the circle of those studies which investigate the institutional sources of labour market segmentation (e.g. Reitz 1998; Cornelius and Espenshade 2001).

When ascribing value to their human capital, I have found London employers subject Hungarian and Romanian professionals and graduates to three kinds of screening

processes. Employers screen those applying for permanent positions in London linguistically, technically and socially; recruitment agencies – and rarely employers themselves – screen those applying for temporary positions linguistically and socially only. Hungarians and Romanians in temporary jobs are often over-qualified for the jobs for which they are hired; employers fail to take advantage of their full human capital (on 'brain waste' see also IPPR 2006).

These three kinds of screening are interlinked: *linguistic eligibility* influences *social eligibility* because prospective employees' level of English knowledge or accent can influence the quality of business relationships in which they are involved. Recruitment into primary labour market positions stops for those with non-proficient English language knowledge. When assessing *technical eligibility* (qualifications and work experience), British employers rely more on skills and competencies (i.e. specific skills obtained from prior, preferably international or British, work experience) than on qualifications. They seem to be skill-based recruiters: job-relevant specific skills have higher labour market value in London than educational generic skills (which runs counter to the findings of Chiswick et al. (2005), who argue that generic skills, acquirable through academic training, have a higher degree of cross-border transferability than specific skills that are achievable on the labour market).

For this reason I have also found that formal recognition of foreign diplomas is not an issue for London-based employers because they are interested more in applicants' experience and inherent knowledge (see also Salt 1997). Therefore, they rely heavily on job seekers signalling of their skills and competencies. Yet, they assess competencies depending on whether they trust the social infrastructure from which the information is originating. This practice creates, however, informal recognition problems: British employers fail to assess whether home country work experience (unless in a narrow field or within a multinational corporation) increased applicants' human capital; therefore they usually do not ascribe any value to it (see also Zulauf 2001, 2002). Non-British or non-multinational experience is informally not recognised or valued by British employers; instead built-in mechanisms for human capital recognition (through organisational or industry-specific labour markets, but also education institutions and government agencies) are used to reduce the risks associated with employing migrants. Employers therefore prefer to employ those who can show evidence of experience or credentials that they can trust. British employers are more likely

to trust skills derived from social contexts they know: only 'information rich' credentials of 'socially trusted' British or other Western universities have labour market value in London. For this reason non-British graduates often seek to enrol into British postgraduate degrees in order to profit of the bigger income premium offered by a local degree and to be able to surpass 'glass ceilings' in their careers.

All this suggests that many British employers now have a global view on labour recruitment and human capital assessment. This is true not only for multinational companies but also for smaller businesses or public sector services. In line with similar findings in Australia (see Khoo, Voigt-Graf et al. 2007), British employers select based on global criteria among the available pool of migrant workforce, including East Europeans: proficiency in English, Western schooling and international work experience. By doing so, they indirectly decrease the employment chances of those without global i.e. 'Western standard' experience but still high in human capital. Therefore, it may not necessarily be true that East Europeans' skills are not high enough for the London labour market (cf. Salt 1992a). Yet, these findings may suggest that only skills acquired in developed countries are considered to be useful for British employers. As Millar and Salt (2007) pointed out, incorporating these findings into migration theory is a challenge for which further research is needed.

8. Conclusions

The declining cost of air travel, the spread of English as the language of international business, the global expansion of third level education and the growth of the knowledge economy facilitate the cross-border mobility of human capital. These factors make the subject of 'highly skilled' migration interesting economically, politically, socially and above all, sociologically. Moreover, attracting and retaining talent is increasingly considered to be an effective tool for sustaining economic competitiveness. Therefore, most countries design migration policies that favour the entry of those who are highly skilled (see e.g. McLaughlan and Salt 2002). The assumed impact of these movements on the global economy, politics and society are significant, even if they represent only a small fraction of worldwide migration flows. 'Highly skilled' migrants are statistically and socially invisible, yet compared to less educated migrants, they are more mobile, more cosmopolitan and perceived to be more easily integrated. However, relatively little is known about the social processes connected to their mobility or the variety of individuals and institutions involved in these social processes. Even less is known about the movement of 'highly skilled' migrants from Eastern to Western Europe.

Yet, the post-communist economic and political transitions in Eastern Europe led to the emergence in the past twenty years of a new generation of footloose Europeans, many of whom are young, well-educated, cosmopolitan-minded and ambitious, potential new 'Eurostars' (see Favell 2008). By investigating the social organisation of this new form of mobility within Europe, and by aiming to question the atomised economic individualism associated with well-educated migrants, my thesis has explored how the process of East–West mobility and labour market incorporation of professionals and graduates is socially organised. More specifically, it has addressed the motivations of East European professionals and graduates who look for employment abroad, their choice of destination, and the social process leading to them being employed in London. The overall aim of the thesis has been to examine the impact of mobility on occupational attainment and to extend the sociologically oriented conceptions of labour market segmentation theory to the case of foreign professionals and graduates (see Jones 1996; Waldinger 2001; Waldinger and Lichter 2003; McGovern 2007).

8.1 Research questions

My doctorate started as a fairly general inquiry into the process of East–West migration of the ‘highly skilled’, seeking to understand the degree of social embeddedness of this process and to challenge the rational *homo economicus* image of migrants, especially those with high human capital. I was interested in the reasons why skilled East Europeans migrate and seek employment abroad, how they choose destinations, and how the process of their broader economic and societal incorporation in a global city is organised socially. However, as the project developed I began to focus more on the employment of East European professionals and graduates.¹ My specific research questions were:

1. What are the determinants and reasons for the search for employment abroad by East European professionals and graduates?
2. How do they decide to go to one destination rather than another?
3. How is the labour market incorporation of East European professionals and graduates organised socially? That is, which segment of the labour market do they join, and how? How do social institutions, social mechanisms and social relations shape their occupational attainment?

Investigating the social process leading to obtaining a job in London raised further sociological questions: Who in fact are the ‘highly skilled’? What is the social meaning of ‘skills’ in migratory contexts? How are ‘skills’ socially defined? How, if at all, are specific ‘skills’ connected to specific employment in London?

Although the primary focus of this research is the way East European professionals and graduates are incorporated into the British labour market, at the start of the thesis I argued that we need to first understand the origins of these migrants in order to explain their

¹ Given the limitations of space in a doctorate, and despite having collected the relevant data, I have chosen not to address the complexities around the societal incorporation of migrants or ethnic communities in London, which could be the subject of another thesis entirely.

subsequent employment experience. Importantly, I examined their socio-economic and educational backgrounds, their reasons for emigrating, and why they came to Britain rather than elsewhere. Therefore several theoretical perspectives framed the conceptual background of my research. The economic sociology of immigration provided the broader framework, which – applying the sociological tradition to explain economic phenomena – emphasises the social embeddedness of economic actions, and focuses on the role that social relations and social institutions play in the economy (Granovetter 1985; Swedberg 2003). It also enables the study of actions on various socially constituted markets (see Jones 1996) and delivers a more abstract level of theorising about migration and mobility than other theories of migration allow (Portes 1995c). Next to the economic sociological framework, I relied on three major currents among the theoretical approaches to migration and mobility: the human capital, global cities and labour market segmentation theories. These theories complement each other by shedding light on different stages of the social process of migration. Although sociologists rarely incorporate ideas from economics, I have found the neoclassical human capital theory and its critique to be very useful for addressing the motivation to engaging in cross-border mobility and, subsequently, in getting a job (see e.g. Portes 1976; Todaro 1976; Massey and España 1987; Portes and Böröcz 1989; Borjas and Freeman 1992a; Massey, Arango et al. 1993). The global cities theory from urban sociology proved to be helpful in explaining the destination choices of East Europeans arriving in London (e.g. Beaverstock and Smith 1996; Beaverstock, Smith et al. 2000; Sassen 2001a; Scott, Agnew et al. 2001; Sassen 2002a; Beaverstock 2005). Finally, the economic and sociological theories on labour market segmentation and the social constitution of labour markets facilitated my understanding of the social process of getting a job in London (e.g. Piore 1979; Jones 1996; Reitz 1998; Waldinger and Lichter 2003; McGovern 2007).

8.2 Findings

Studying the social process of professional and graduate mobility, the thesis delivered evidence not only for the variety of ‘highly skilled’ involved in East–West mobility within Europe, but also for the socially embedded nature of a process, traditionally

considered to be overwhelmingly individualistic and rational. By looking at the social and demographic background of my interviewees and gaining insight into the social environment of their formation as well as the developed social relationships, I was able to explore the process of their decision-making and their labour market practices. In the empirical chapters I showed that my interviewees' determinants of mobility, choices of destination and the ways they obtained jobs in London challenge the human capital theory and point towards one overarching finding: 'the social' is present during all stages of their mobility. Strongly influenced by social and structural factors both at origin *and* destination, I argued that the social process of professional and graduate mobility may lead similar individuals into different labour market positions at destination. These diverse labour market outcomes can be better understood with more sociologically oriented conceptions of labour market segmentation.

In the following subsections I present the top-line findings and theoretical contributions of my thesis in more detail. First I draw the profile of the new 'Eurostars', comparing their mobility behaviour to and contrasting with other professionals and graduates around the world. Then I develop the idea of socially embedded professional and graduate mobility, and the role of the perception of relative deprivation. Following this I turn to the way social networks influence individuals' occupational attainment. Finally, I elaborate on the formation of labour market segments and on the process of social constitution of skills. I conclude with the major contributions of the thesis and the potential areas for further research.

8.2.1 The new Eurostars

The 'Eurostars', as Favell (2008) calls them, represent a generation of 'spiralist' West Europeans who move out from their home countries to Eurocities such as London, Paris, Brussels or Amsterdam to move up the career ladder more quickly than they would have done at home. They are young, well-educated and ambitious, and Favell argues that their move around Europe has been successful because they are pioneers of the contemporary intra-European professional and graduate mobility. My Hungarian and Romanian professional and graduate interviewees are similar in many ways to the

‘Eurostars’: they are also young and well-educated, arriving with heterogeneous though dominantly middle-class backgrounds (a thin but growing layer of the post-communist East European society) to the global city of London in order to obtain better paid service class jobs and faster track careers than what is available at home, to improve their English, and to experience the cosmopolitan lifestyle of London.

In many other ways, however, these potential new Eurostars are different. First, they are few. In fact, from the host country’s perspective their presence on the labour market is insignificant in absolute terms. From the home countries’ perspective, however, their mobility raises questions about the detrimental economic and societal effects of their departure: while it is a world-wide tendency that more educated people are more prone to move, in Eastern Europe the emigration rate of university educated as a proportion of all emigrants is at least double the ratio of university educated within the population (see Docquier and Marfouk 2004). Moreover, circulatory and temporary migration has become the mainstream form of East European migration, especially in Romania, a form of mobility which Sandu (2005:45) found to be positively selective towards those who possess an increased level of human and social capital. In fact, Britain and particularly London are the most popular European destinations for highly educated permanent migrants from both Romania (Radu 2003) and Hungary (Rédei 2002).

Second, these potential new Eurostars engaged in mobility for a combination of structural reasons specific to the East European social context. The post-1989 tertiary educational expansion allowed more young East Europeans’ to enrol in universities, contributing to the change in their expectations regarding what is a good job for them after graduation. Meanwhile, the East European labour markets failed to respond to the increasing demand for professional and graduate jobs, in a society with a strong culture of migration creating dispositions for mobility among the well-educated as much as within the wider population. Their mobility behaviour, just as that of their peers, is compensatory (see Sandu 2005): it is partly a response to mobility restrictions during communism, partly a solution developed for their experience of relative deprivation when comparing their own socio-economic position to that of their reference group (see Chapters 2 and 4), perceiving their own cultural capital as a means to mobility and social advancement *abroad* rather than at home (cf. Eyal, Szelenyi et al. 1998).

Third, Favell's Eurostars trade spatial mobility for social mobility: they are 'spiralists' who 'gamble with dramatic spatial mobility in their education and career abroad to improve social mobility opportunities otherwise blocked at home' (Favell, Feldblum et al. 2006:9). As I showed in Chapter 7, the dominant social mobility pattern among my interviewees was the reproduction of their prior social class, only about a quarter of them being socially upwardly mobile. This indicates that there are other drivers behind the new Eurostars' geographical mobility than social mobility. As shown in Chapters 4 and 5, these spread from 'traditional' drivers such as East–West income differentials through 'new' ones such as East–West differentials in occupational status and prestige, working in a meritocratic 'system', the prospects of increasing one's human capital through new experiences and improved language skills to subjective evaluation of one's own position and the individual definitions of 'success'.

Fourth, many East Europeans arrived in London to study and then stayed on to work, unlike the Eurostars whose mobility is regularly connected to the labour market. While increased educational mobility is a product of integrating Europe, and as such East Europeans behave in the same manner as their Western peers, my interviewees enrolled in tertiary educational institutions abroad were more likely to be channelled onto the host country's labour market upon graduation than West Europeans (cf. IES 2002). This happened either because they often became overqualified for the labour market opportunities at home as a result of their Western education; or because their new education lifted the barriers to accessing the labour market at destination, or both. Yet this means that a significant share of these new Eurostars are strictly speaking not East–West migrants in the traditional sense but internationally mobile students turned British graduates and then employees in London.

Finally, Romanian Eurostars are somewhat different from Hungarian Eurostars. In London, at the time of my research there were slightly more Romanian-born than Hungarian-born tertiary educated individuals (see Chapter 2, Table 10). Yet, the share of university educated within the overall Hungarian-born population in London was larger than within the overall Romanian-born population (28.3% vs. 19.2%). Also, while the majority of Romanian-born arrived in London after 1990, the Hungarian-born population could be split into 'old' and 'new' generations. Arriving around of the time of the 1956 Hungarian revolution and after 1990s respectively, the two generations rarely interact

with each other. Moreover, while the strong Romanian culture of migration was a reoccurring topic in the accounts of my interviewees (the Romanian well-educated continuously contrasted their motivations and choices to what is believed to be the stereotypical behaviour of a 'Romanian migrant') I did not encounter this with my Hungarian interviewees (perhaps because of weaker or missing stereotypes related to 'Hungarian migrants'). For this reason, as I argued in Chapter 6 Romanian interviewees were more prone to withholding information about their background when signalling availability on the London labour market than were Hungarians, out of fears of being stereotyped and hence discriminated against. Moreover, I observed that for British employers the labour market value of a Romanian tertiary qualification was somewhat lower than that of a Hungarian credential (and both are much less valuable than a British diploma). This is reflected not only in the earnings according to the country where highest degree was obtained, but also in the ratios of British university enrolment: Romanians were more likely to have obtained their highest degrees in Britain than Hungarians.

Overall, my East European interviewees share many characteristics of the young and cosmopolitan European middle-class 'spiralist' segment which seeks the realisation of their life and career aims through geographical mobility within Europe. While there are differences among the Eurostars themselves, and East Europeans still differ from their West European peers in their structural determinants of mobility largely because of the dissimilar levels of economic development across sending countries, the new Eurostars' choices of destination or labour market incorporation practices are similar to those of other professionals and graduates, a likely outcome of the socio-economic exchanges occurring within tightly interconnected social spaces such as that of Europe.

8.2.2 Social actors and economic actions

Throughout the thesis I emphasised the social embeddedness of the act of cross-border mobility, as relevant for individuals with high human capital as for less educated migrants (see Massey, Alarcón et al. 1987; Massey 1990; Portes 1995a). By this I was challenging human capital theorists' image of *homo economicus*, often used to describe the decision-making mechanisms of economic migrants and especially of the 'highly skilled'

professionals and graduates. I argued that the 'social' is present during all stages of the process of 'economic' mobility: social environments and social relationships at origin *and* destination structure and facilitate the emergence of the motivations for engaging in mobility, largely determine the realisation of these goals, and may limit the transferability of human capital. I argued therefore that East European professionals and graduates:

- Decide to search for employment abroad because they feel relatively deprived in their current positions when compared to their dominant reference group; this experience exists only *in relation to* one or more *different* social structures, institutions and practices, linked to social relations to significant others (see Chapter 4);
- Choose destinations based on their perceptions on the likelihood of decreasing their experience of relative deprivation, choice which is related to the host but contrasted with the home country's social institutions, practices and to the social relations influencing the process (see Chapter 5); and
- Obtain employment on the labour market as an outcome of various sorting processes (highlighting constraints to the full transferability of human capital), during which individuals' signal their availability and employers screen, that is, ascribe value to professionals' and graduates' human capital by reaching out to established regulations, norms, values, social practices, and even stereotypes regarding the employable human capital (see Chapters 6 and 7).

Therefore the process leading to the incorporation of East European professionals and graduates in the labour market in London can best be described as a dynamic social process. It depends on and is constantly re-defined by its constituent stages. And, besides the individuals on the move, it also involves a number of additional actors and social institutions which all have diverse and changing agendas, sustaining the dynamic nature of the process. In fact, one of the challenges of writing up my findings has been to follow the academic practice of delimiting and discussing separately the stages leading to individuals' labour market incorporation at destination (motivations, destination choice, employment), all cumulatively contributing to the linear social process of migration. While this may be true at a theoretical level, in practice I have found that these stages, involving separate social processes, are intertwined: they often change during the process of migration and thus influence an individual's mobility

agenda by constantly re-defining that person's goals and objectives (see also Waldinger and Fitzgerald 2004). The reasons why people migrate depend on where they want to go and what they want to do; similarly, the jobs migrants receive and accept at destination are closely linked to their determinants of mobility and their choice of destination.

Moreover, most theories on migration and mobility interpret the labour market incorporation of professionals and graduates as a rational process, being dependent on movers' levels of human capital (e.g. Sjaastad 1962; Todaro 1976) as well as the social structure and social institutions *at destination* (see e.g. Portes and Böröcz 1989; Reitz 1998, 2002). On the one hand, I have challenged the widespread theoretical image of professional and graduate migrants being the ideal types of the *homo economicus* whose decisions are based solely on balancing out rationally the costs and benefits deriving from a particular move (McGovern 2007). By acknowledging the dynamic nature of the social process of professional migration in the thesis, I emphasise the need to look at professionals and graduates as any other migrants: social actors whose motivations, decisions and labour market practices are embedded in and therefore influenced by the social contexts within which they move. On the other hand, in the thesis I showed that a combination of cumulative causes acting *at origin and destination* influence migrants' mobility agendas and their labour market practices *at destination*. For instance, when asking Hungarian and Romanian professionals and graduates about their reasons for looking for a job in London, their arguments were often constructed by making direct comparisons between Hungary or Romania and Britain. These accounts were dual constructs about the opportunities they lack at home and the jobs they are able to obtain in London, but it was difficult for them to differentiate between their reasons for out-migration and in-migration. Leaving a country because of the lack of appropriate jobs available, for instance, implies that there exists not only the expectation for more appropriate jobs in the country where one plans to move, but also the belief in being able to access those jobs. Otherwise the move would make little sense (see also Portes and Rumbaut 1996). This shows, however, that labour market opportunities are not the sole drivers of migration.

In case of East European professionals and graduates, I could delimit five inter-related structural determinants for engaging in East–West mobility, which as I showed in the thesis, influenced my respondents' labour market incorporation practices (see also Reitz 1998).

- **Foreign language training and knowledge** increased the probability of mobility towards the country in which that particular language is widely spoken. Foreign language knowledge is dependent, however, on the structure and the quality of the educational system of migrants' country of origin. It is more important at professional and graduate level than for unskilled and semi-skilled migrants. Overall my respondents' knowledge of English, the near-universal second language, or the desire to improve it – in combination with other factors – made them choose London as destination.
- **The tertiary educational system** and asynchrony between universities' supply of graduates in terms of numbers and specialisation, and labour market demand for their services. The Hungarian and Romanian examples of educational expansion without suitable demand of the 1990s and early 2000s deliver evidence for Portes' (1976) and Wickham's (1992) findings who argue that the structural imbalances between the supply of professionals and graduates (especially if their increase is a policy- rather than a labour market-driven change) and the internal demand for their services is one of the main drivers of the mobility of people with high human capital. Similarly, the strong connection between British universities and the labour market facilitates foreign graduates' placement on the London labour market.
- **The labour market** and the availability of professional and managerial jobs with a given content and career prospects, at a given pay level. While the Hungarian and Romanian labour market failed to offer diverse and challenging jobs at expected wages, my interviewees all agreed that in London they can have access to a large variety of service class jobs, with high wages, fast track careers, and higher social status and occupational prestige than what they would have obtained at home. This is in line with other research on professional mobility in global cities such as London (e.g. Beaverstock, Smith et al. 2000; Sassen 2001a, 2002a). Yet, while other research found that the income differentials do not play a significant role in professional mobility, I have found that, together with other structural factors East–West differentials in income, although decreasing in importance, are still a driver of East–West mobility within Europe.
- **The migration policy** as well as the regulations and practices widespread within the social institutions of sending and receiving societies. The skill-selective British migration policy facilitated my interviewees' decision to take up employment in

Britain, which they have seen as a gate to access the meritocratic 'system' of London (compared to the bureaucratic, corrupt and nepotistic 'system' at home) where they can receive appropriate rewards to their human capital, labour, or both.

- **Geographical proximity** between home and host countries.

Overall, these structural factors which act at origin *and* destination frame not only professionals' and graduates' determinants of mobility and their destination choices, but also their job-seeking practices. Yet, another structural determinant still needs to be mentioned: the role of social relationships during the social process of mobility.

8.2.3 The role of social relations in professional mobility

Economic sociologists of migration have highlighted the importance of the social embeddedness of migrant behaviour, emphasising the significant role of the social structure and the community to which migrants relate in setting migrants' mobility agenda and directing them towards certain destinations and jobs (see Massey and España 1987; Portes 1995b). On the one hand, as Portes' work showed, structural embeddedness plays an important role in that individual migrant behaviour is dependent on the overall social structure and social institutions of sending and receiving countries (see e.g. Portes 1976). On the other hand, Granovetter (1985) contributed with his relational approach to the study of embeddedness, which focuses on the impact of social relations on individuals' economic actions. I have found Granovetter's approach extremely helpful in differentiating between varying agendas of East European professionals and graduates on the move, and ultimately in explaining the different labour market outcomes of similarly well-educated individuals. Social ties and reference groups influence the internal values and preferences of East European professionals and graduates, which as Sandu and De Jong (1996) argued, operate alongside external structural constraints and are essential for explaining mobility behaviours in the context of rapid societal change. Hence they are extremely helpful when studying the economy and society of Eastern Europe during transition periods.

From Chapter 4 onwards I have argued that my interviewees' life aspirations and expectations were set by the standards in life aspirations and expectations of groups of

individuals towards which they developed social ties and/or which they consider referential. I have delimited two dominant reference groups: one based on common occupation, another based on similar age. I have found that these two occupational and cohort-based reference groups in fact delimit two kinds of behaviour in East European migrants, projecting towards two divergent sets of aspirations, and predicting the sorting of immigrants into two kinds of labour market trajectories at destination. Just as Portes and Rumbaut argue, the driver of East European professional and graduate mobility 'is the gap between [these] life aspirations and expectations and the means to fulfil them in the sending countries. Different groups feel this gap with varying intensity, but it clearly becomes a strong motive for action among the most ambitious and resourceful [...] because relative, not absolute deprivation lies at the core of most contemporary immigration' (1996:12).² To put it differently, my interviewees engaged in East-West mobility to attain aspired life-styles or occupations, considered to be the standard within their own reference groups. 'Cosmopolitans', who compared their socio-economic position to their peers with the same occupation around the world, aspired towards occupational prestige and career growth, and embarked on spatial mobility from their peripheral home countries to 'escalator regions' in the power centres of their profession, hoping to cash in later on their experience. The 'home-oriented' migrants, who compared their position to their peers of the same cohort at home, sought rapid resource generation (especially monetary resources but also language skills) and engaged in spatial mobility to regions that offer high financial returns.

The impact of relational embeddedness on mobility behaviour, and the emerging differentiation between 'cosmopolitan' and 'home-oriented' Eurostars emphasises the importance of determinants and motivations over qualifications when assessing labour market outcomes. Having in mind the worldwide increase in the number of tertiary-educated individuals, it may be erroneous to consider all highly qualified migrants as a homogenous group, not only in Eastern Europe but all over the world. As I showed in

² After 1990, East Europeans were not only better exposed to Western type of education and training, but also increasing number of individuals gained better visibility regarding the variety of jobs they would be able to pursue with the level of education they had obtained. Yet East European labour markets were not developing as quickly as their populations became better educated and more ambitious: the gap between the aspirations of Western-trained young people in terms of jobs they considered suitable for their level of training, at a given wage rate, and the means to fulfil them at home was continuously increasing. Therefore, as Portes and Rumbaut continue, 'the most determined individuals, those who feel the distance between actual reality and life goals most poignantly, often choose migration as the path to resolve this contradiction' (1996:13).

Chapter 4, similar reference group orientation rather than qualifications bind various movers into a category, which share particular labour market practices, and which are likely to end up in similar labour market positions at destination, men and women alike.

Furthermore, I have found that social ties and social relations were important not only at the determinants stage of the social process of East–West mobility, but also at the stage of migrants' labour market incorporation. Although little research has been done on the impact of individual social ties on professional and graduate mobility, generally most scholars acknowledge the power of social networks in defining migrants' labour market positions in host countries (see supply-led theories such as described in Massey, Alarcón et al. 1987; Portes and Sensenbrenner 1993). These theories argue that migrants' sets of strong and weak ties build such an elaborate system of social support that it allows them to incorporate, both economically and socially, without relying on the market mechanisms at destination. In fact, migrants prefer to depend on the support of their social network instead of the market, since social ties lead to better information in a shorter period, at lower cost. Compared to this strand of the literature, I have not found that East European professional and graduate mobility would be a social network-dependent phenomenon. In fact, the majority of my East European interviewees followed market channels to move to and obtain jobs in London. Their decisions were affected not only by the supply of jobs and the demand for their services on the global labour markets, but also by the supply and demand in other markets, especially on the global education and migration policy markets. However, while not a dependency, in Chapter 6 I showed how the process of getting a job –especially signalling availability and job openings – is facilitated by social networks.

Realising that market mechanisms cannot explain the dissimilar labour market outcomes for professionals and graduates with similar levels of human capital, experience or language skills, I have found that social networks contribute to the sorting of migrants with similar levels of education into more polarised labour market positions at destination, depending on the composition of these networks. The thesis highlighted that it is the level of embeddedness in the social networks of the reference group that differentiated between similar East Europeans. Professional network embeddedness facilitated the obtainment of higher professional and managerial jobs in London. Embeddedness in ethnic networks channelled well-educated migrants into routine and manual occupations transforming the

migration patterns of the well-educated in ways similar to those of unskilled or semi-skilled traditional migrants. 'Cosmopolitans' were more likely to receive higher professional or managerial jobs if they had social ties to their occupational reference groups. By contrast, those whose reference group lay at home were more likely to obtain lower skilled jobs if they relied on the social ties of their ethnically homogenous cohort-based reference group. The level and the kind of their relational embeddedness therefore spread similar university-educated East Europeans into different positions on the labour market of London. Beyond that women were less successful in building professional networks (see Chapter 6), finding which resonates with the literature (e.g., Hagan 1998; Parks 2005; Amado 2006), I have not found any major difference across genders. Surprising as it is, the perceived gender equality in professionals' labour market incorporation in London is less likely to suggest that the London labour market is gender-blind. Rather, coming from relatively male-centred societies, East European professional women's experiences in London are perceived gender-blind *relative to* their previous experiences at home. This repeatedly highlights the importance of relative rather than absolute deprivation as main driver of cross-border mobility.

Overall, I have found that the type of social networks to be one of the most important yet invisible sources of labour market segmentation in London. Mobility agendas and labour market incorporation practices of East European professionals and graduates are only partially influenced by the social structures and social institutions of their sending and receiving countries, and national and international level imbalances (see Portes 1976). More importantly, the most significant drivers of mobility for professionals and graduates are their perceptions of relative deprivation when comparing their social and occupational positions to members of groups within which they are embedded or which they consider referential. This highlights the limitations of the neoclassical and human capital approach to migration. It also suggests that migrants' human-cultural, financial and social capital predict their labour market trajectories at destination with a specification: individuals' social capital, which may play a role in predicting labour market trajectories, cannot only be derived from *existing* social ties with others; it can also be derived from *desired* social relations leading to significant others whose behaviours migrants consider referential.

8.2.4 The formation of labour market segments

Throughout the thesis I highlighted the difficulties in transferring education, credentials and work experience (human capital) from one country to another. This runs counter to the neoclassical theory which assumes perfect transferability of human capital across borders (e.g. Becker 1964; Becker 1976). In fact, the literature on professional and graduate mobility rarely addresses how labour market segments are created for immigrants with high human capital. Human capital theory cannot explain why some highly educated people fail to receive employment commensurate to their former education at destination; other theories suggest that the structure of receiving labour markets or the functioning of receiving institutions affect immigrants' employment chances on arrival. Yet, these theories not only look at immigrants as passive actors and subordinates of the social realities they find at destination, but also fail to link the labour market barriers to the wider stages of the social process of mobility.

The thesis highlighted that labour market segments are created along the whole process of East–West mobility, from self-selection at origin to selection at destination. During self-selection would-be professional and graduate migrants define what an 'acceptable' job is for them, having in mind their level of education, language knowledge, socio-economic background and reference group orientation. I have found that people are more likely to accept only professional and managerial jobs in London when they have a combination of a better quality ('Western' type) of education, more access to international educational experience, a higher level of foreign language skills, a better socio-economic situation for one's family and are more embedded in occupationally oriented reference. Therefore, I have argued that the factors of self-selection create invisible segments on the labour market of destination by dividing potential jobs into 'suitable' and 'non-suitable' kinds of employment. East European professionals and graduates bring with them their perceptions about how the labour market in London is supposed to be segmented, and in which segment they are prepared to enter; that is, what degree of occupational dislocation they are prepared to accept. Therefore, London labour market segments are socially created by migrants even before they enter the market, by their human capital, social identity, values, norms and goal-orientation. 'Cosmopolitans' are prepared to accept mostly service-class jobs on the primary labour market, whereas the 'home oriented' –

mostly because of their lack of language proficiency (see also Zulauf 2001) – are likely to accept intermediate, routine occupations or positions on the secondary labour market as well, despite their university education. While I did not find any significant correlation between gender and occupational class, I did observe that professional social networks – membership of which is more typical for males than for females – do facilitate the attainment of service class jobs.

Yet, most of the segments on the labour market of London are created at destination during the signalling and screening stages of labour market processes. As the classical sociological analyses of barriers to labour market incorporation suggest (see Reitz 1998; Waldinger and Lichter 2003), social institutions such as the migration policy, the labour market or the educational institutions are the ones which direct foreigners into labour market positions unsuitable to their prior training. In London I have found that the migration policy created the strongest segments among the well-educated East Europeans, facilitating the professional and managerial employment of those who met the British government's definition of having 'high skills' or who filled skills shortages, and limiting their access to service class jobs if they had just 'average' university education. As Cornelius and Espenshade (2001) argue, this practice sustains the labour market segmentation by encouraging the 'bimodal distribution of demand' for migrant labour: selecting from those with 'high skills' into professional jobs, and tolerating the entrance of those with 'average skills' into routine and intermediate occupations – hence perpetuating what Rosenblum (2001) calls the 'bifurcated supply' of immigrant labour.

Next to the migration policy I have also found that the British tertiary educational system contributed to the process of labour market segmentation. As Reitz (1998) argued, host country educational institutions not only set the educational standard for the native workforce with which migrants have to compete, but they also deliver opportunities for migrants to further develop their human capital, to re-specialise, or do both. Informally, I have found that British employers prefer to hire British graduates, ascribing a lower value to Hungarian or Romanian university degrees compared with those attained in Britain. Therefore, British universities contribute to the labour market segmentation by creating avenues to enter the professional labour markets for many East European born British graduates. Moreover, entering a British university also had the effect of removing the glass ceiling in many of my interviewees' careers.

Other important contributors to labour market segmentation in London are the social relations and social networks which impact upon the processes of self-selection (reference groups) and of selection (professional or ethnic networks). While reference groups contribute to self-selection by setting standards and defining the 'acceptable', social networks at destination have a centrifugal role: they spread foreign professionals and graduates into more polarised labour market positions in London than what they had at home, depending on the type of social tie they have to the local labour market. As Findlay, Meyer, Beaverstock and indeed many others have argued, professional network membership facilitates the access to professional and managerial jobs (see Findlay and Garrick 1990; Findlay and Li 1998; Meyer 2001; Beaverstock 2004); ethnic networks direct individuals towards routine and intermediate occupations.

In sum, the difficulties that East European professionals and graduates encounter when they try to access the labour market in London can be attributed to:

- Individual dispositions and subjective perceptions (which may or may not match employers' opinions) regarding 'suitable' jobs;
- Problems with legally accessing the British labour market and with formal recognition of their credentials;
- Problems with informal recognition and ascribing 'value' to foreign qualifications;
- The lack of host-country-specific human and social capital, especially English language knowledge; and
- Rare occurrences of discriminatory practices on the labour market.

Overall, professionals' and graduates' specific human capital and reference group orientation, as formed by and embedded in the institutions and social relations *at home* drive individual dispositions and subjective perceptions of what would be a 'suitable' job *at destination*.

Therefore labour market segments are constructed not only at destination but also at origin. Individual predispositions to certain kinds of employment are formed before arriving in the host country. People may not be disposed to looking for certain types of work. Similarly, lack of a particular type of capital may prevent newcomers from taking up certain types of jobs at destination. Therefore I argue that labour market segments are

commonly created by institutions, employers and migrants during the dynamic social process of ascribing value to one's human capital (i.e. the process of social constitution of skills). These practices are embedded in the two social structures and institutions (sending and receiving), and the value and norm frameworks of participating actors. With their decisions embedded in the social structures and social relations of their home and host countries, migrants are at least equally active creators of labour market segments as are the social structures, social institutions or employers' practices at destination. Therefore, the investigation of labour market segmentation needs a holistic and dynamic approach that embraces both structure and agency, in home and host countries.

8.2.5 The social constitution of skills

Arguing that determinants, motivations and social relations are at least as important as qualifications when assessing labour market outcomes calls into question the uniform meaning of 'skills'. Generally 'highly skilled' migrants are commonly assumed to have had a university education and are thought to be the 'the best and the brightest'. Yet when looking at the complexities around professionals' and graduates' mobility agendas, at various markets that play a role in migrants getting a job at destination, as well as analysing the stages of labour market processes leading to incorporation, it is difficult to argue that all highly qualified individuals are in fact 'highly skilled'. Equally difficult is to claim that their human capital has a constant content and a stable social value in all contexts. In migratory contexts, what may be 'highly skilled' in the country of origin may not be so 'highly skilled' in the country of destination, something which is often ignored by naïve economic literature on skills and talent.

In the thesis I have argued that migrants' labour market incorporation depends not only on the successful transfer of their human-cultural capital, but also on their ability to signal its value to potential employers and on the specific social context in which the valuation is pursued. The social aspects of skills are essential components of skill construction. Rather than having a fixed or universal meaning across space and time, throughout the thesis I have argued that skills are relational and contextual, defined by the socio-cultural environment in which they need to be applied. Assessing skills in

various social settings has rarely been used in migration research. Jones (1996) argues that skills are inseparable not only from individuals, but also from a complex set of expectations, needs and rights attached to persons and derived from the social context of work. Stark (2004) notes the role of externalities in human capital formation, and Meyer (2001) and Mournier (2001) posit that skills cannot be understood without their social definition, construction and integration. They argue that individuals, especially those involved in knowledge-intensive activities, are deeply rooted in social networks, which ultimately contextualise their skills historically and physically. Meyer concludes that this has far-reaching consequences for the concept of mobility where highly skilled people are not moving in a vacuum between supply and demand. Individuals' skills depend on the networks that mobilise and activate them.

Overall, the empirical evidence of my thesis suggests that the value of professionals' and graduates' human capital (and ultimately the new 'Eurostars' economic progress at destination) largely depends on the individuals' capacity to transfer their own human capital between social contexts. For this reason, I have challenged the idea of skills being exclusively individual. Instead, I have highlighted the importance of the social context and immigrant agency in the assessment of skills and human capital. I argue that in migratory contexts the social aspects of human capital creation, transfer and appreciation shape to a great extent what is socially recognised as 'skills'. My suggestion was that being skilled is largely an outcome of negotiations between employers and migrants on the socially constituted labour markets around the value and the value-attached significance of employable human capital. On the one hand the negotiators are the highly qualified migrants themselves with their own ways of self-representation and signalling the value of their credentials, knowledge, skills and abilities. On the other hand the negotiators are the employers with their own ways of perception, assessment and judgement, that is, of screening the employable human capital. In migratory contexts, employers strongly rely on the signals of job seekers send because employers do not know the social context and origins of their foreign applicants. Nevertheless, migrants' screening depends a great deal on the framework of norms, moral standards and acceptable power that dominate employers' decision-making mechanisms.

For this reason, in the thesis I outlined that skills are socially constituted in migratory contexts, throughout the processes of labour market signalling and screening. Rather

than looking to all foreign professionals and graduates as ‘highly skilled migrants’ or ‘elites’ with equally high levels of ‘skills’ in all contexts, I suggest that a migrant’s level of skills should be considered as an outcome of interactions during labour market processes. These negotiations depend as much on the social identity and human capital (including language knowledge, education and work experience) of the would-be employee as on the needs of employers, and on the host social institutions that set the norms and standards in the receiving country.

Furthermore, I also argue that human capital transfer is not equal with skill transfer; skills should not be considered as proxies for measuring levels of human capital. Whereas all the East Europeans I studied in my research were highly qualified, they were not necessarily all ‘highly skilled’.³ Being ‘skilled’ in one country does not necessarily mean being ‘skilled’ in another country, mainly because the person with the skills has insufficient knowledge of the language, or because that person’s credentials and previous work experience are not recognised or are considered irrelevant. This is another reason why skills need to be addressed in relational terms, and why human capital is not a neutral phenomenon that transfers easily across national boundaries (as economists suggest). What counts as ‘skills’ lies within the social relations and interpretative processes that sustain them. Therefore being ‘skilled’ is the expression of the social value of employable human capital (and salaries are the expression, in economic terms, of this particular social value rather than the market-fixed price of a particular type of human capital). As I showed in the thesis, the less specific the human capital and the more different the social contexts in which it needs to be valued, the greater the likelihood of undervaluation of ‘skills’. As Millar and Salt pointed out, this is important since the ‘breadth of the notion of skills, knowledge, qualifications and experience that are embedded in the migration policy has knock-on effects for attempts to managed migration by prioritising particular skills’ (Millar and Salt 2007:56).

³ See more on the difference between ‘highly skilled’ and ‘highly qualified’ immigrants in Csedő (2008). The differentiation is relevant because the economic arguments for immigrant labour are often related to skills. Moreover, there is a tension between the definition of employers as ‘highly skilled’ (based on the jobs migrants receive) and the state’s recognition of what ‘highly skilled’ means in its policy and visa programmes (which are often based on migrants’ level of education).

8.3 Contribution of the research

My thesis has sought to contribute to the transnationalist perspective on migration and mobility (represented by e.g. Glick Schiller, Basch et al. 1995; Brettell 2000; Vertovec 2002; Pries 2003) which, contrary to the *homo economicus* image of neoclassical theory and similar to my research, argues that professionals and graduates are active social agents who influence and are influenced by social structure, social institutions and social relations, both at origin and destination. My conceptual contribution emphasises that skills are socially constituted by a variety of negotiations throughout the process of labour market incorporation, in specific social contexts, and therefore highlights the difference between 'highly qualified' and 'highly skilled' migrants. Empirically and methodologically, my contribution is to have researched the phenomenon at micro-level, on both supply- and demand-sides, covering a geographical area that represents an under-researched yet important share of intra-European mobility flows.

A key aspect of my thesis was to identify the stages of the social process of professional migration. By doing so, I have emphasised and elaborated upon: the complexities behind professionals' and graduates' mobility agendas seeking labour market incorporation transnationally; and the structural reasons for professional and graduate mobility from Eastern Europe to London. Furthermore I argued that migrants' social relations and their perceptions of relative deprivation when comparing their socio-economic position with that of their reference group is the most important driver of their mobility agendas (positive wage differentials are not enough to make the majority of professional and graduate East Europeans move; rather, specific language skills, occupational and career growth are what motivate the well educated, depending on their life aspiration and expectations when compared with social groups whose behaviour and social position they consider referential). I have shown that while many East European professionals and graduates are individual market movers, the process of their labour market incorporation is influenced by various social institutions (such as the migration policy, educational institutions or employers labour market practices) as well as social networks; professional ties may facilitate well-educated migrants in obtaining higher professional or managerial jobs at destination than those they would obtain on the market.

The significance of my findings is at least twofold. First, they falsify many of the assumptions regarding the ‘highly skilled’ (as addressed also by Favell, Feldblum et al. 2006). Instead of considering all highly educated migrants ‘highly skilled’ elite movers, I showed that it is the specific social context that makes people more or less ‘skilled’. I have also questioned that skills are inherent to individuals, and I have argued that they are relational. I showed that one’s level of skills and employability are negotiated throughout the social processes of labour market incorporation. Responding to the common belief that brains are usually drained, I have delivered additional evidence that the highly educated are more prone to engage in international mobility than their less educated peers, and their mobility patterns are more likely to be temporary and circular than one-off movements. Furthermore, a significant part of my thesis focused on challenging the widespread *homo economicus* image of ‘highly skilled’ migrants, during which I showed that their decisions are socially embedded within the social contexts of origin and destinations, often interconnected by global employment practices rather than being context-independent and rational. When pointing out the importance of relative deprivation, I have challenged another popular perception on ‘highly skilled’ migrants, namely that they move by choice alone (in contrast with refugees or economic migrants who need to move because of forces beyond their control). Contrary, the importance of the perception of relative deprivation emphasised that the decision to engage in mobility is often an outcome of restricted opportunities at home as much for the university educated as for the whole population. Another common assumption in the literature is that internationally competitive human capital is the only asset ‘highly skilled’ migrants need in order to succeed. By emphasising the centrifugal role of social networks I showed that well-educated migrants with suitable professional social capital can succeed easier. Finally, in response to the notion that the mobility of the ‘highly skilled’ is a demand-led phenomenon, I have argued that the opportunities at origin and the social relations of migrants also influence their mobility patterns and migration behaviour.

Second, the findings shed light also on the fact that labour market incorporation of migrants at destination depends on the social structures and institutions, and social relations and dispositions, at both destination *and* origin. In particular it is determined by the perceived gaps between the levels of income, career, status and prestige, or lifestyles, which migrants aspire to or find achievable. Therefore, the thesis seeks to acknowledge the role of external constraints (at destination and origin, simultaneously)

and to highlight the role of migrants' internal states such as values and preferences in socially organising the process of labour market incorporation. Moreover, the findings highlight the need to look at the social process of foreigners' labour market incorporation as being connected also to other markets (e.g. educational or migration policy markets) at transnational level. The interconnectedness of markets facilitates and thus encourages mobility when the perceived gaps between origin and destination are large enough to make people move. Therefore, while there are East–West gaps in income, career prospects, occupational prestige or status within Europe, the mobility of professionals and graduates from Eastern to Western Europe will continue.

8.4 Further research

While answering some questions, my thesis also raises a number of theoretically and empirically important questions which would benefit from further research. The worldwide increase in short-term circular professional mobility is a relatively new phenomenon, the study of which could potentially offer new insights towards the understanding of the social world. Some of the possible avenues for further research can be derived from the limitation of the current research. Researching migrants at destination who settle in a specific locality such as London and who cross at a specific time can limit interpretation of the causes or consequences of international migration in two important ways. First, it excludes those who decided not to engage in mobility; second, it excludes those who returned to their place of origin and moved to another destination. Therefore, it would be worthwhile to conduct *cross-sectional research* in both sending and receiving countries. At home, one could look at the local self-selectivity for willingness to work abroad; or at educational, occupational or gender differences in destination choice. Furthermore, one could address and compare the well-educated outflows from more countries of origin, even from the wider region. It would be also worthwhile to test Stark's (2004) idea on whether migration is conducive to human capital formation in Eastern Europe. At the receiving end, one could complete large scale surveys to measure immigrants economic and social positions compared to natives. It would be interesting to evaluate the immigration policy from employers' perspective: does it serve their needs? One could consider comparing London to other English speaking destinations in order to

rule out the channelling power of language; one could also investigate the mobility of professionals to second and third tier global cities in order to see the altered dimensions of mobility determinants. Furthermore, it would be worthwhile to look at the human capital transfer from global city centres towards more peripheral regions (e.g. West–East mobility) in order to highlight the different requirements of employability if the direction of migration is altered. It would also be interesting to identify the various types of East–West mobility on a broader geographical scale and/or more in-depth for a particular sector/industry in order to understand the factors that influence them (which ones do they share and which are different). This could broaden out the case study nature of the current research, and provide insight into whether the professionals and graduates arriving in London are a ‘special type’ of East Europeans, or are illustrative of the wider populations they represent. Furthermore, with additional *longitudinal research* among professional and graduates one could realise the changes in migrants’ careers with the length of stay in a country or with the accumulated work experience; one could also find out which are those key turning points during individuals’ lives which intensify or limit individuals’ mobility plans. While this thesis has investigated the social process behind the particular mobility of university-educated East Europeans to London, there are many more related questions worthy of exploration.

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Appendices

Appendix I: Hungarian migration

Table 1: Population change in Hungary (1949–2005)

Census	Population	Population change between censuses	Natural increase*	Net migration* (population change – natural increase)*
1949	9,204,799 ^a	:	:	:
1960	9,961,044 ^a	756,245	916,522 ^b	-160,277
1970	10,322,099 ^a	361,055	351,962 ^b	9,093
1980	10,709,463 ^a	387,364	400,251 ^b	-12,887
1990	10,374,823 ^a	-334,640	-142,240 ^b	-192,400
2001	10,200,298 ^a	-174,525	-372,862 ^b	196,354
2005**	10,097,549 ^a	-102,749	-149,696 ^a	46,947

*For the periods of 1949–1959, 1960–1969, 1970–1979, 1980–1989, 1990–2000, and 2001–2005 **Not census

Source: From **a** (KSH 2005b) and **b** (www.nepszamlalas.hu)

Table 2: Net migration in Hungary (1960–2004)

Year	Population ^a	Population change	Natural increase ^a	Net migration [*]	Emigration	Immigration (naturalised)
1960	9,961,000	:	45,000	:	:	
1961	10,006,900	45,900	44,000	1,900	:	
1962	10,051,800	44,900	21,800	23,100	:	
1963	10,074,400	22,600	32,400	-9,800	:	
1964	10,107,800	33,400	31,300	2,100	:	
1965	10,135,500	27,700	24,900	2,800	:	
1966	10,165,800	30,300	36,600	-6,300	:	
1967	10,203,300	37,500	39,400	-1,900	:	
1968	10,243,600	40,300	39,000	1,300	:	
1969	10,283,500	39,900	37,600	2,300	:	<i>before 1980</i>
1970	10,322,100	38,600	32,600	6,000	:	
1971	10,351,900	29,800	27,600	2,200	:	45,107 ^d
1972	10,377,800	25,900	34,300	-8,400	:	
1973	10,410,400	32,600	32,800	-200	:	
1974	10,441,600	31,200	60,500	-29,300	:	
1975	10,509,000	67,400	63,100	4,300	:	
1976	10,562,700	53,700	53,200	500	:	
1977	10,614,700	52,000	45,600	6,400	:	
1978	10,659,600	44,900	28,100	16,800	:	
1979	10,687,000	27,400	23,600	3,800	:	
1980	10,709,500	22,500	3,300	19,200	:	5,173 ^f
1981	10,705,500	-4,000	-1,900	-2,100	:	6,045 ^f
1982	10,694,700	-10,800	-10,700	-100	:	8,574 ^f
1983	10,671,500	-23,200	-21,300	-1,900	:	6,468 ^f
1984	10,640,200	-31,300	-21,300	-10,000	:	5,420 ^f
1985	10,657,400	17,200	-17,400	34,600	:	7,837 ^f
1986	10,559,600	-97,800	-18,900	-78,900	:	9,015 ^f
1987	10,509,000	-50,600	-16,800	-33,800	:	9,529 ^f
1988	10,463,900	-45,100	-15,700	-29,400	:	24,355 ^f
1989	10,421,200	-42,700	-21,400	-21,300	:	36,187 ^f
Total for 1960–1989 period				-106,100	131,490^e	163,710
1990	10,374,800	-46,400	-20,000	-26,400	:	32,679 ^g
1991	10,373,200	-1,600	-17,600	16,000	20,971 ^c	22,194 ^g
1992	10,373,600	400	-27,100	27,500	21,346 ^c	15,032 ^g
1993	10,365,000	-8,600	-33,200	24,600	30,049 ^c	15,901 ^g
1994	10,350,000	-15,000	-31,300	16,300	27,768 ^c	15,254 ^g
1995	10,336,700	-13,300	-33,300	20,000	21,350 ^c	15,010 ^g
1996	10,321,200	-15,500	-37,800	22,300	22,293 ^c	14,503 ^g
1997	10,301,200	-20,000	-39,000	19,000	19,927 ^c	9,397 ^g
1998	10,279,700	-21,500	-43,600	22,100	14,249 ^c	16,649 ^c
1999	10,253,400	-26,300	-48,600	22,300	:	:
2000	10,221,600	-31,800	-38,000	6,200	:	:
2001	10,200,300	-21,300	-35,136 ^b	13,836	:	:
2002	10,174,900	-25,400	-36,029 ^b	10,629	:	:
2003	10,142,400	-32,500	-41,176 ^b	8,676	:	:
2004	10,116,700	-25,700	-37,355 ^b	11,655	:	:
Total for 1990–2004 period				214,696	:	:
<i>Total for 1960–2004 period</i>				<i>108,596</i>	<i>:</i>	<i>:</i>

Calculated as difference between population change and natural increase

Source: From **a** (Eurostat 2007) **b** (www.ksh.hu) **c** (Kraler and Iglicka 2002) **d** (Rédei 1992) **e** (Tóth 2002) - based on immigration statistics of the EU, USA, Canada and Israel) **f** (Juhász 1997) **g** (Melegh 2002). The data clearly shows how conflicting various reports on migration statistics can be (and how they fail to reflect the level of net migration calculated as difference between population change and natural increase).

Appendix II: Romanian migration

Table 1: Population change in Romania (1948–2002)

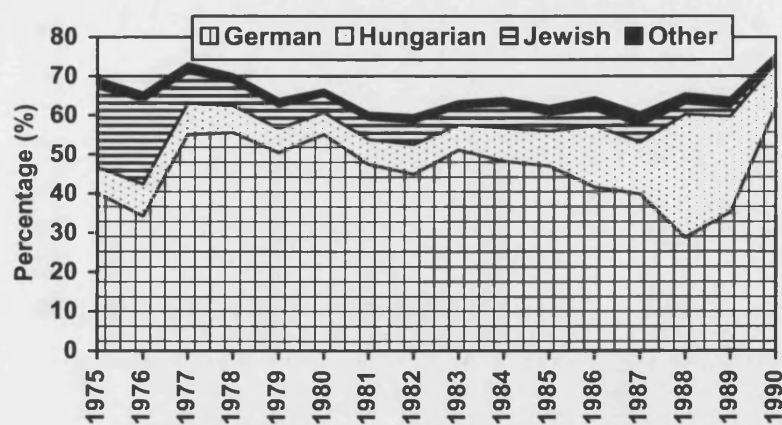
Census	Population	Population change between censuses	Natural increase*	Net migration* (population change - natural increase)*
1948	15,872,624 ^a	-	∴	∴
1956	17,489,450 ^a	1,616,826	2,000,000 ^{**}	-383,174
1966	19,103,163 ^a	1,613,713	1,752,995	-139,282
1977	21,559,910 ^a	2,456,747	2,550,680	-93,933
1992	22,810,035 ^a	1,250,125	1,986,202	-736,077
2002	21,680,974 ^b	-1,129,061	-291,419	-837,642
2005 ^{***}	21,623,849 ^c	-57,125	-196,963	139,838

*For the periods 1948–1955, 1956–1965, 1966–1976, 1977–1991, 1992–2001, 2002–2005 in total

Estimation based on annual averages * Not census

Source: From a (INSSE 2005) b (INSSE 2004) c (INSSE 2007)

Figure 1: The share of ethnic minorities within permanent emigrants from Romania (1975–1990)



Source: Data based on Horváth (2002a)

Table 2: Net migration in Romania (1975–2004)

Year	Population ^a	Population change	Natural increase ^a	Net migration [*]	Emigration	Immigration (repatriates)	Unregistered out-migration
1975	:	:	220,647	:	10,701 ^c	:	:
1976	:	:	212,480	:	9,336 ^c	:	:
1977	21,559,910	:	215,273	:	17,810 ^c	:	:
1978	:	:	204,752	:	19,780 ^c	:	:
1979	:	:	193,094	:	17,084 ^c	:	:
1980	22,201,387	-	176,028	:	24,712 ^c	:	:
1981	22,352,635	151,248	156,466	-5,218	20,966 ^c	:	(-15,748)
1982	22,477,703	125,068	120,249	4,819	24,374 ^c	:	(-29,193)
1983	22,553,074	75,371	87,606	-12,235	26,300 ^c	:	(-14,065)
1984	22,624,505	71,431	117,042	-45,611	29,894 ^c	:	(15,717)
1985	22,724,836	100,331	112,127	-11,796	27,249 ^c	:	(-15,453)
1986	22,823,479	98,643	134,566	-35,923	26,509 ^c	:	(9,414)
1987	22,940,430	116,951	128,913	-11,962	29,168 ^c	:	(-17,206)
1988	23,053,552	113,122	126,673	-13,551	37,298 ^c	:	(-23,747)
1989	23,151,564	98,012	122,238	-24,226	41,363 ^c	:	(-17,137)
Total for 1975–1989 period				[-155,703]	362,544	:	:
1990	23,206,720	55,156	67,660	-12,504	96,929 ^a	3,095 ^a	-81,330
1991	23,185,084	-21,636	23,515	-45,151	44,160 ^a	3,443 ^a	4,434
1992	22,788,969	-396,115	-3,462	-392,653	31,152 ^a	3,077 ^a	364,578
1993	22,755,260	-33,709	-13,329	-20,380	18,446 ^a	3,257 ^a	5,191
1994	22,730,622	-24,638	-19,365	-5,273	17,146 ^a	3,304 ^a	-8,569
1995	22,680,951	-49,671	-35,032	-14,639	25,675 ^a	5,507 ^a	-5,529
1996	22,607,620	-73,331	-54,810	-18,521	21,526 ^a	6,265 ^a	3,260
1997	22,545,925	-61,695	-42,424	-19,271	19,945 ^a	8,432 ^a	7,758
1998	22,502,803	-43,122	-31,869	-11,253	17,536 ^a	11,287 ^a	5,004
1999	22,458,022	-44,781	-30,594	-14,187	12,592 ^a	10,467 ^a	12,062
2000	22,435,205	-22,817	-21,299	-1,518	14,753 ^a	12,442 ^a	-793
2001	22,408,393	-26,812	-39,235	12,423	9,921 ^a	10,950 ^a	-11,394
2002	21,794,793	-613,600	-59,137	-554,463	8,154 ^a	6,583 ^a	552,892
2003	21,733,556	-61,237	-54,116	-7,121	10,673 ^a	3,350 ^a	-202
2004	21,673,328	-60,228	-42,629	-17,599	13,082 ^a	2,987 ^a	7,504
2005	21,623,849	-49,479	-41,081	-8,398	10,938 ^a	3,704 ^a	1,164
Total for 1990–2005 period				-1,130,508	372,628	98,150	854,866
<i>Total for 1975–2005</i>				<i>-1,286,211</i>	<i>735,172</i>	<i>:</i>	<i>:</i>

^{*} Calculated as difference between population change and natural increase

Source: From **a** (INSSE 2004, 2005, 2007) **b** (Eurostat 2004) **c** (Horváth 2002a; Veres 2002); unregistered out-migration is the difference between net migration calculated as difference of population change and natural increase, and net migration calculated as immigration minus emigration. This value is positive by unregistered out-migration and negative by 'over-registered' out-migration (i.e. more emigrants or fewer immigrants appear in the statistics as calculated from population decrease); if values are in brackets, immigration statistics were not included.

Appendix III: British migration

Table 1: Population change in Britain (1951–2005)

Census	Population	Population change between censuses	Natural increase*	Net migration (population change – natural increase)*
1951	50,616,000	:	:	:
1961	52,590,000	1,974,000	:	:
1971	55,780,100	3,190,100	3,239,500	-49,400
1981	56,343,569	563,469	798,700	-235,231
1991	57,338,199	994,630	996,900	-2,270
2001	58,999,781	1,661,582	1,027,700	633,882
2005**	60,059,900	1,060,119	487,200	572,919

* in 1951–1961, 1961–1971, 1971–1981, 1981–1991, 1991–2001 and 2001–2005 ** Not census

Source: (Eurostat 2007)

Appendix IV: Online survey questionnaire

Highly Skilled Professionals from HU&RO in London



Page 1 of 7

Welcome!

This research is carried out in order to complete the PhD dissertation on *East-West Migration of the Highly Skilled in Europe* of Krisztina Cséző at the London School of Economics and Political Science, under the supervision of Dr Patrick McGovern, Department of Sociology.

The questionnaire contains four main sections covering the process of coming to London, personal contacts and networks, current occupation, employment, as well as education. The final questions are general profile-related questions as gender, age, or citizenship.

There are some questions marked with a * star that are particularly important for the research; please make sure you respond to them. You may need an average of 10 minutes to complete this survey.

The information you provide will be kept strictly confidential and will be used exclusively for the PhD-research. This means, for example, that your identity will not be revealed to a third party.

If you would be interested to discuss the topic, but you have no time for completing the survey, please email and I will get in touch with you shortly.

Your contribution is highly valued.

Next

Cancel

Coming to London

1. When did you first come ... ?*

Please enter the year (e.g., 1999) where relevant.

	... to the UK	... to London
To visit	<input type="text"/>	<input type="text"/>
To study	<input type="text"/>	<input type="text"/>
To work	<input type="text"/>	<input type="text"/>

2. Before the UK, was your country of last residence your country of origin?*

This and all the following questions refers to the broader period of your current stay in the UK, indifferently of the purpose of your stay (ie., study or work).

☐ Yes☐ No, please specify the country (or countries)

3. Which of the following best explains why you came to the UK?*

Excluding visiting

OPTIONS:

1. I came to study
2. I came to work
3. I came mainly for personal reasons
4. I came to study, then stayed to work
5. I came to study, then stayed for personal reasons
6. I came to work, then stayed to study
7. I came to work, then stayed for personal reasons
8. I came for personal reasons, then stayed to study
9. I came for personal reasons, then stayed to work
10. I sought asylum/I was political refugee
11. Other

4. When you originally came to the UK, how long did you
- intend*
- to stay and work/study here?*

Excluding visiting.

OPTIONS:

1. Less than one year
2. One year
3. 1-2 years
4. 2-3 years
5. More than three years
6. I wanted to settle in the UK
7. I didn't had clear plans that time

5. What was your occupation just before you came to the UK?*

6. Generally speaking, which of the followings helped you to travel to the UK?*

You may choose more than one option.

- ☐ Family or relatives already living in the UK
- ☐ Family or relatives living in my home country
- ☐ Friends living in the UK
- ☐ Friends living in my home country
- ☐ The employer/university in the UK
- ☐ Private recruitment agency in my home country
- ☐ Private recruitment agency in the UK
- ☐ Private travel agency in my home country
- ☐ Private travel agency in the UK
- ☐ I made my own arrangements
- ☐ Other, please specify

7. In what type of accommodation do you currently stay?

- ☐ Rented flat/studio - I rent it for myself
- ☐ Rented flat/studio - I rent it with my partner/family
- ☐ Rented flat/studio - I share the rent with other people
- ☐ Rented flat/studio - my employer rents it for me

- ☐ Flat/studio owned by myself
- ☐ Flat/studio owned by my partner
- ☐ Flat/studio owned by my or my partner's family
- ☐ Flat/studio owned by friends
- ☐ House owned by myself
- ☐ House owned by my partner and I
- ☐ House owned by the family of my partner
- ☐ College/residence hall
- ☐ Temporary accommodation (e.g., hostel, hotel)
- ☐ Other, please specify

Your contacts in London

8. I am interested in the people you meet in London, outside office hours. How often do you spend your leisure time with the following?*

	Daily	Weekly	Monthly	Never (but there are in London)	Don't have any
Your own family (e.g., partner, kids if any)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other own family and/or relatives (e.g., parents)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Family and/or relatives of your partner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Friends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Colleagues from work or studies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Acquaintances (but not colleagues)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. Have you ever had a chance encounter with a stranger and - after discovering that you have a friend in common - exclaimed "What a small world!"?

You do not need to be a social scientist to realise that personal contacts – or our so-called *social networks* - explain best this *small world phenomenon*. A famous study by Migram in 1967 concluded that certain personal ties tend to cluster. Applying Koch's *80/20 principle* to social networks: this basically means that 20% of the people (normally the popular ones) have access to 80% of all ties, and very many people - the remaining 80% - have access to few (i.e., 20% of the overall) contacts.

I would like to test this theory: is it also valid for your ethnic community living in London?

Please imagine that you are looking for a new job.

Who will be those three persons in London whom you would contact for some useful ideas?*

Just jot down three names – or the initial of the first name and the surname. Absolutely no consequence will follow, neither for you nor for the persons named. I am only interested to see whether some names come up more than once. Enter at least 1 response.

1st person

2nd person

3rd person

10. Are the above named people of the same ethnicity as you are?*

-- Please Select --

- OPTIONS:
1. Yes, one of them
 2. Yes, two of them
 3. Yes, three (all) of them
 4. No

11. Please imagine now that you want to organise a huge party for your birthday.

Which three people from your *ethnic community in London* would you contact in order to get your other co-ethnics to the party?*

Enter at least 1 response.

1st person

2nd person

3rd person

12. What percentage of your guests would be of the same ethnicity as you are?

13. Think of your three *best friends* in London.

Regarding their ethnic background, are they...*

	1st best friend	2nd best friend	3rd best friend
... same country-nationals as yourself	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... same mother-tongue-speakers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... British	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... other European	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... North American	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

14. Regarding the way you met them for the first time, was it through...*

You may choose more than one option.

	1st best friend	2nd best friend	3rd best friend
... family-ties, relatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... university, studies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... common interests	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... own ethnic community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... neighbour/same accommodation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

15. Please indicate whether you are a member of, or regularly attend one or more of the following institutions/associations/clubs in London?

You may choose more than one option.

- ☐ Events organised by the Embassy of Hungary
- ☐ Events organised by the Embassy of Romania
- ☐ Hungarian Cultural Centre
- ☐ Romanian Cultural Centre
- ☐ Romanian Business Club
- ☐ Pubszerda
- ☐ Magyarkocsmá
- ☐ Londoni Magyarok
- ☐ Mindszenty Ház
- ☐ Hungarian Reformed Church
- ☐ Hungarian Roman Catholic Church
- ☐ Romanian Orthodox Church
- ☐ Other, please specify

16. Do you organise something related to your ethnic community?*

☐ No

☐ Yes, please specify

17. Are you currently employed (i.e., any kind of paid work)?*

☐ Yes

☐ No

Your employment in London

18. What is your main job now?*

19. When did you start to work at your current employer?*

dd/mm/yyyy

20. What do you mainly do in your job?

21. Did you find your current job...*

- ☐ Before travelling to the UK
☐ After travelling to the UK

22. Have you had difficulties with finding a job in London?

- ☐ Yes ☐ No

23. How many years of work experience do you have in total?
 Please count all the work experience you had.

24. Have you worked in a different country other than UK and your home country?

- ☐ No
☐ Yes, please specify where

25. How did you find your first job in London?
 You may choose more than one option.

- ☐ Family or relatives
☐ Friends
☐ Acquaintances or colleagues
☐ Internet
☐ Direct application
☐ An agency in the UK
☐ Through the university
☐ Through a formal employer
☐ Advertisement in a public space
☐ Advertisement in newspaper
☐ Other, please specify

26. How much of your past experience, skills and abilities can you make use of in your present job?*

- ☐ Very little ☐ A little ☐ Quite a lot ☐ Almost all ☐ Don't know

27. Are your specific language skills (ie., Hungarian or Romanian) relevant in your present job?*

- ☐ Very Relevant ☐ Relevant ☐ Neutral ☐ Irrelevant ☐ Very Irrelevant

28. Is your present job...*

 -- Please Select --

OPTIONS:

1. Full time - permanent - in private sector
2. Full time - permanent - in public sector
3. Full time - temporary - in private sector
4. Full time - temporary - in public sector
5. Part time - permanent - in private sector
6. Part time - permanent - in public sector
7. Part time - temporary - in private sector
8. Part time - temporary - in public sector
9. Other than above

29. How many hours do you usually work per week, including any paid or unpaid overtime?

30. What was your take home pay (after all deductions) in GBP the last time you were paid?*
- No punctuation marks are required.

31. What period did this cover?*

- ☐ One week
- ☐ Two weeks
- ☐ Four weeks
- ☐ Calendar month
- ☐ Quarterly salary
- ☐ Annual salary
- ☐ Other, please specify

Your education & training

32. Which is your highest level of education?*

OPTIONS:

1. Primary
2. Secondary
3. Third level – BA, BSc or similar
4. Third level – MA, MSc or similar
5. Third level – MHA or similar
6. Third level – PhD or similar

33. Where did you complete your highest degree?*
- The country that issued your diploma.

OPTIONS:

{all country names}

34. In which study-field did you complete your highest degree?*

Please tick more than one if you have more degrees or specialisation areas.

- ☐ Arts or Music
- ☐ Economic Sciences or Business Studies
- ☐ Juridical Sciences
- ☐ Medical Sciences or Pharmacy
- ☐ Natural Sciences
- ☐ Social Sciences
- ☐ Technical Sciences or Engineering
- ☐ Other, please specify

Finally, your profile

35. Gender*

- ☐ Male ☐ Female

36. Year of birth*

37. Country of birth*

-- Please Select --

OPTIONS:
[all country names]

38. Citizenship*
Please list if you have more citizenships.

39. Mother-tongue*

40. Marital status*

-- Please Select --

OPTIONS:
1. Single & living alone
2. Single but living together
3. Married & living together
4. Married but separated
5. Divorced
6. Widowed
7. Other

41. If you are married or have a steady partner, what is your wife/husband/partner's nationality?

42. How many children do you have?
Useless to say, write 0 if you don't have any kids.

43. Which languages do you speak and at what level?

	Not at all	Beginner	Intermediate	Advanced	Native fluent
English	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
French	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
German	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hungarian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Italian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Romanian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Spanish	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

44. Do you have plans to eventually leave the UK?*

- ☐ Yes
☐ I am undecided
☐ No

45. If yes or if you are undecided,

... when would you leave?

- ☐ I will leave shortly
☐ I will leave in a year or so
☐ I will leave in two years
☐ I will leave in three years or more
☐ Don't know

46. ... where would you go?

- ☐ I plan to return to my home country
☐ I plan to go to another Western European country
☐ I plan to go to a Central- or Eastern European country
☐ I plan to go in a North American country
☐ Don't know
☐ I plan to go in another country than stated above, ie.,

That was all. Thank you!

47. Would you like that I send you the results of this survey (spring 2005)?*

- ☐ Yes, please email
- ☐ No, thanks, I'm not curious
-

48. This survey will be followed by some in-depth interviews. If you agree to participate, I would be happy to contact you, at your convenience.*

- ☐ Yes, I am interested, please email the details
- ☐ No, thanks, I would prefer not to participate
-

Excellent!

Can you give me your contact details? I will get in touch with you shortly.

49. Name

50. Email*

Appendix V: Main characteristics of online survey respondents

Variable	Values	Hungarian-born (%)	Romanian-born (%)	Total (%)	Total (%)
Gender (N=105)	Male	38.9	61.1	100.0	51.4
	Female	39.2	60.8	100.0	48.6
First citizenship (N=105)	Hungarian	97.5	2.5	100.0	38.1
	Romanian	0.0	100.0	100.0	59.0
	British	100.0	0.0	100.0	1.9
	Other	0.0	100.0	0.0	1.0
Second citizenship (N=21)	Hungarian	0.0	100.0	100.0	4.8
	Romanian	0.0	100.0	100.0	4.8
	British	41.2	58.8	100.0	81.0
	Other	0.0	100.0	100.0	9.6
Mother tongue (N=105)	Hungarian	89.1	10.9	100.0	43.8
	Romanian	0.0	100.0	100.0	54.3
	Bilingual (HU&RO)	0.0	100.0	100.0	1.9
Marital status (N=103)	Single (living alone)	35.1	64.9	100.0	35.9
	Single (living together)	36.4	63.6	100.0	10.7
	Married	45.8	54.2	100.0	47.6
	Divorced	25.0	75.0	100.0	3.9
	Other	0.0	100.0	100.0	1.9
Level of education (N=103)	BA, BSc or similar	43.3	56.7	100.0	29.1
	MA, MSc or similar	43.2	56.8	100.0	42.7
	MBA or similar	40.0	60.0	100.0	14.6
	PhD or similar	21.4	78.6	100.0	13.6
Country of highest degree (N=103)	Hungary	100.0	0.0	100.0	26.2
	Romania	0.0	100.0	100.0	34.0
	United Kingdom	33.3	66.7	100.0	29.1
	Other	36.4	63.6	100.0	10.7
Degree subject (N=103)	Technical and life sciences	17.2	82.8	100.0	28.2
	Business and administration	48.8	51.2	100.0	41.7
	Social sciences, humanities and arts	42.9	57.1	100.0	20.4
	Health and welfare	75.0	25.0	100.0	3.9
	Law	40.0	60.0	100.0	4.9
	Services and other subjects	100.0	0.0	100.0	1.0
Social class at home (N=105)	Managerial & professional occupations	48.2	51.8	100.0	57.6
	Intermediate occupations	0.0	100.0	100.0	3.3
	Routine and manual occupations	0.0	100.0	100.0	3.3
	Other	32.6	67.4	100.0	35.8
Social class in London (N=92)	Managerial & professional occupations	46.6	53.4	100.0	79.3
	Intermediate occupations	20.0	80.0	100.0	5.4
	Routine and manual occupations	9.1	90.9	100.0	12.0
	Other	33.3	66.7	100.0	3.3

Appendix VI: Interview schedule for professionals and graduates

- 1. Education** (where completed university, why exactly that – when did you decide that, how did you liked what you’ve learnt, how good you were, job prospects)
- 2. Work experience** (did you worked at home, how did you find that; somewhere else; why abroad and why London; would you work at home as well – under which circumstances)
- 3. London arrival** (how was your arrival organised, who helped you in accommodation, job, friends; how quickly did you felt integrated, if at all)
- 4. London job** (how did you find it – networks?; why exactly you were chosen for the job; did you pursue any further training; if you would look for another job, how would you do it, did EU enlargement influenced your position on the labour market)
- 5. Ethnic community** (do you think there is one, what is the binding factor; do you feel member of it, what makes you think that)
- 6. Friends** (how did you met them, what nationality are they, how do you spend time together; and friends at home, how did relationship changed after your departure, did you influenced some to go to work abroad)
- 7. Family** (what about them, here, at home; remittances?)
- 8. Future plans** (will you stay/leave, when, where, what is the major factor on which it ‘depends’)

Appendix VII: Main characteristics of interviewees

<i>No</i>	<i>Thesis name</i>	<i>Occupation (sector)</i>	<i>Arrival to Britain</i>	<i>Gender</i>	<i>Marital status</i>	<i>Year of birth</i>	<i>Country of origin</i>	<i>Degree in</i>
1	Albert	Physician (dr)	1990	Male	Married	1958	Hungary	Medical Science
2	Anikó	Au-pair (ap)	2004	Female	Single	1979	Hungary	Social Science
3	Anna	Physician (dr)	2003	Female	Married	1957	Hungary	Medical Science
4	Arnold	Investment banker (finance)	1999	Male	Single	1979	Hungary	Economic Science
5	Árpád	Journalist (other)	2000	Male	Single	1977	Hungary	Social Science
6	Aurel	Self-employed (construction)	2004	Male	Married	1963	Romania	Technical Science
7	Béla	Software engineer (it)	2002	Male	Single	1973	RO/HU	Technical Science
8	Bence	Investment banker (finance)	2004	Male	Single	1979	Hungary	Economic Science
9	Camelia	Researcher (academic)	1999	Female	Married	1968	Romania	Natural Science
10	Cecilia	Manager (finance)	1999	Female	Single	1976	Romania	Economic Science
11	Claudia	Postgraduate student (academic)	2002	Female	Single	1979	Romania	Social Science
12	Cristian	Engineer (it)	2001	Male	Single	1972	Romania	Technical Science
13	Csaba	Investment manager (finance)	1997	Male	Married	1970	Hungary	Economic Science
14	Csenge	Actor (other)	2000	Female	Single	1979	Hungary	Arts
15	Dan	Lecturer (academic)	1997	Male	Married	1969	Romania	Social Science
16	Dóra	Auditor (finance)	1998	Female	Married	1972	Hungary	Economic Science
17	Emma	Researcher (finance)	2004	Female	Single	1979	Hungary	Social Science
18	Emőke	Self-employed (other)	2004	Female	Single	1976	Hungary	Social Science
19	Eugen	Plasterer (construction)	2003	Male	Single	1980	Romania	Natural Science
20	Ferenc	Architect (other)	2004	Male	Single	1976	Hungary	Technical Science
21	Florin	Self-employed (construction)	2002	Male	Single	1980	Romania	Social Science
22	Gabriela	Volunteer (other)	2003	Female	Married	1968	Romania	Economic Science
23	Georgiana	Researcher (academic)	2004	Female	Single	1977	Romania	Social Science
24	Horea	Project manager (academic)	1991	Male	Single	1962	Romania	Technical Science
25	Ibolya	Analyst (finance)	2004	Female	Single	1980	Hungary	Economic Science
26	Ilona	Musician (other)	2003	Female	Single	1972	Hungary	Arts
27	Irina	Lecturer (academic)	2002	Female	Single	1975	Romania	Technical Science
28	István	Investment banker (finance)	2002	Male	Single	1972	Hungary	Economic Science
29	József	Physician (dr)	2004	Male	Married	1971	Hungary	Medical Science