

What is the impact of transformation processes on emigration potential in transition economies (Case of Prague, the Czech Republic)

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

Key words: international migration, emigration potential, Czech Republic, Prague.

Defining migration pressure

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

Migration pressure is related to migration potential and migration propensity. International migration potential is the potential of people willing to migrate from one country to another and depends on individual or micro factors and aggregate or macro factors (see above). The necessary condition for the existence of migration potential is individual willingness to move. This willingness depends on the migration utility function, i.e. the individual comparison of utility levels of the actual place of stay to every

alternative place, for example another country. "Utility" contains a great variety of factors: economic factors (such as income, employment prospects, purchasing power and others) and non-economic factors (such as social acceptance, cultural behaviour and language, relative deprivation, i.e. the motivation to reach a relatively better position within the social ranking of a reference group, and family situation). Accordingly, utility received by migrating depends on the actual situation before migration and the costs incurred and the benefits achieved by migration in a new place. "Utility" determines in part propensity to migrate (Straubhaar 1993).

The term of migration utility brings the definitions of migration pressure and human capital theory close to each other. Human capital theory views migration as an investment; decision to move depends on the relationship of costs and benefits. Transferability of human capital from one country to another is essential. Transferable skills determine, to a great extent, costs and benefits of migration because they are important conditions for employment opportunities in a new country. Transferability means that one's skills meet requirements of the labour market in another country. The definition of migration pressure is compatible with many other theoretical approaches. "Defining migration pressure in terms of demand for opportunities to move to another country is compatible with human capital theory which views migration as an investment. The investment analogy is particularly appealing in, but not limited to, international labour migration. The definition of migration pressure is also compatible with other theoretical approaches, including the view that migration is triggered not by individual choices and decisions, but occurs in response to structural changes" (Schaeffer 1993). Accordingly, the scope of the term migration pressure is wide. "It makes little sense to treat it only from an economic point of view" (Straubhaar 1993).

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

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

Factors creating migration pressure in transition countries

The collapse of Communist rule in the very end of the 1980s and the beginning of the 1990s triggered drastic changes in all Eastern and Central European transition countries. For example, Russia started more or less from scratch to create the institutions and

structures needed in the market economy. Estonia tried, in many respects, to continue developing its legislation and institutions on the grounds it was forced to abandon in the Soviet annexation 1940. However, the development was characterized by a feature typical to all transition economies: the institutional lag. This institutional lag could be seen as still leaning on the socialist institutions on the one hand, and restoring the old institutions from the pre-socialist era on the other. This type of development was more clearly seen in the Baltic countries, including Estonia, than in other transition countries (see Kultalahti, Karppi, Rantala 1997). Estonia, as well as Latvia and Lithuania, has applied for membership of the EU.

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

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

- 1) Despite some improvements regarding some of the Central and Eastern European countries (CEEC), there are still big differences in standard of living (including income levels) between transition and market economies.
- 2) Western market economies offer quick opportunities to earn money which has great purchase power back in home country. Such a tendency is often supported by existing of 'structural rigidities' (e.g. see Hönekopp 1997) when 'eastern' immigrants can easily 'offset' local western workers who are not available to fill vacant positions.
- 3) The currently ongoing transition to a market economy involves the emergence of differentiation of socio-economic statuses of individuals, divergence in the modes of employment and new distributions of incomes (cf. Puur 1993). Thus, besides ('external') polarization between CEECs themselves¹, the societies have been becoming more and more ('internally') clustered.
- 4) There are trends of westernization of educational systems. Enterprises in a market economy need workers with proper education and skills. This means that educational

¹ CEECs differ from each other as to how successful they are in terms of realization of their transition/transformation steps.

systems need to be harmonized with those in developed market economies, at least to a certain extent. Student, teacher and researcher exchange programs are being launched between developed market economies and transition economies. The EU has launched programs aimed at promoting educational and other cooperative activities. Phare, Tacis and ACE programs can be mentioned as examples. All these measures involve mobility of people between transition and market countries, strengthening readiness to temporary and more permanent emigration. (Unlike 'eastern' societies, western ones are able and willing to attach high value to top professionals/specialists).

5) Probably more than in many other regions, due to a 'history of isolation' people in CEEc tend to satisfy their desire for adventure, change and curiosity via international migration movements.

Migration history of Czechia in brief

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

Czechia has experienced emigration and immigration. However, the last 150 years this experience has to a large extent been limited to emigration. More massive and significant immigration movements are a new phenomenon of the 1990s. Apparently, besides 'geography', two key determinants of international migration were the strongest: 1) reasons tied to a living standard, in a broader sense to the overall degree of socio-economic development and 2) reasons springing from a political situation, respecting a political stability and democratic character of the regime, degree of civic freedoms and the like. However, very often these two determinants have been interwound, both of them have played an important role in decisions concerning migration.

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

As far as the post First World War period is concerned, Czechia lost some 110,000 people between 1920 and 1939 (measured by net migration, Kučera 1994). The biggest loss was in 1920–1924 and represented some 60,000 people. The number of emigrants was 110,000, most of emigrants oriented to the USA, France and Germany. At the same time the number of immigrants was only 50,000. Since then, partly because of more

restrictive migration policies of destination countries², emigration gradually decreased. Socio-economic reasons for emigration dominated till the end of the 1930th. Just before the outbreak of the War, political reasons became important and since then they have been more and more essential in the Czech migration history. A very complicated mosaic of huge international migration movements which occurred in Europe before, during and immediately after the Second World War can also be seen in the migratory patterns of Czechia/Czechoslovakia. For example, in 1945–1947 some 2.8 million of Germans had to leave the Czech Republic, mainly its border zone areas (only some 180,000 stayed in 1947). On the other hand, it is estimated that about 100,000 emigrants returned from eastern as well as western parts of Europe to their mother lands just after the War. The political events (coup d'état) of February 1948 led to the era of socialism/communism which, of course, also influenced international migration. Isolationism led in a macro perspective to a totally 'aberrant migratory behaviour'. A freedom of international migratory movements was heavily restrained. Thus, many people left immediately in the wake of political upheavals in 1948 and 1968. Others did so continuously during the whole era mostly using very rare and occasional opportunities to travel abroad. Many of these movements have to be considered illegal flows from the point of the ruling regime. Mainly in the 1970s and 1980s political reasons for emigration were also significantly interwound with economic and social factors³. There was a huge difference between the migration statistics released by the communist regime and actual migration flows. It can be estimated that due to international migration Czechia lost 375,000 to 450,000 people altogether from 1948 to 1990 (see Kučera 1994, Drbohlav 1994). Illegals represented the most important part of the emigrant community. Data for the 1980s clearly indicate that besides people from some districts close to or bordering on the former East-West border zone, the metropolitan and urban population was the most important driving force behind the emigration (Drbohlav 1994). Prague took the lead of this trend⁴. Germany was clearly the most attractive destination for Czech international migrants.

Current migratory trends in Czechia

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

² In 1921 and 1924 the USA passed immigration laws which imposed the first permanent numerical limits on immigration, the national origins quota system was established (see e.g. Fix-Passel 1994).

³ Some people could no longer bear the anti-democratic and totalitarian regimes, others were dissatisfied with their general standard of living. Very often the bureaucratic decision-making of authorities concerning housing, working, travelling or a total disillusionment in the political climate resulted in emigration (Drbohlav 1994).

⁴ For example, as far as illegal emigration flows from all Czech regions in the 1980s are concerned, Prague had the highest intensity of emigration. The share of Prague represented 23 to 29 percent of all emigration in 1984–1988, whereas its share of the population of Czechia was about 11 percent.

springing from structural conditions (in fact, ranging from micro/local to macro/continental levels) made many individual (migratory) choices possible creating new Czech migration palette⁵. However, it is difficult to analyze the present Czech migratory situation. Statistical systems are inaccurate and the number of illegal immigrants is large. As for (permanent) emigration, probably no really huge outflows from Czechia have occurred. This can be attributed to several factors: Czechs seem to be deeply rooted in their own country. Emotional ties to their property and place are relatively important. Usually, the Czech mentality is typically that of 'pragmatic-optimistic' sights and not that of solving problems 'directly and drastically' (see e.g. Drbohlav 1994). Despite many problems, the overall degree of socio-economic development and the living standard of Czechs have never fallen very deep after 1989⁶. Also, no threat of a considerable political instability can be expected. Accordingly, in international migration there have been no really strong push collective factors at all.

Given the unreliable official data, since 1990 Czechia has had a positive net international permanent migration (ranging between 600 and 12,000). Since figures on emigration are unreliable⁷ the net migration is probably significantly overestimated. There may have been some migration loss but probably not very much. And it has likely been gradually decreasing (see e.g. Marešová-Drbohlav-Lhotská 1996). At the same time migration is changing from permanent to temporary, short-term moves.⁸

For the time being the Czech Republic seems to be a country of immigration. At the end of 1997, 210,311 aliens had permanent permits (some 56,000 were based on a family reunion⁹) or long-term residence permits (mostly given for entrepreneurial or employment activity¹⁰) in Czechia. The number of migrants with economic reasons, mainly circular labour migrants (those with long-term permits), grew very rapidly between 1990 and 1996 (from 7,695 up to 153,000). This immigration is to a great extent based on a) globalization and integration processes (migration is part of internationaliza-

⁵ A degree of socio-economic development within Czechia and other countries in transition, processes of globalization, transnationalism, European integration etc. contribute to creating a 'common environment' within which in the whole region migration occurs. Nevertheless, people behave differently in relation to a) functional variables (such as mental and physique qualities, value system etc.), b) structural variables (e.g. educational level, income and the like) and c) geographical variables (in terms of a position in the space).

⁶ Despite objective difficulties, the assessment is fairly stable over time. Between 1992 and 1998 a share of those who estimated that their living standard was good or very good oscillated between 50 percent and 65 percent (a representative sample, Institute of the Opinion Polls – IVVM, Prague). Even though 50 percent at the beginning of 1998 is the lowest figure during the whole period, it indicates that the impact of current objective problems upon the people has not been as intensive and painful as could be expected.

⁷ It is believed that most of migrants leaving the Czech Republic do not register themselves as emigrants, i.e. they do not return their identity cards.

⁸ For example, data on official temporary migration (mainly employees in projects, guest-workers having contracts, seasonal workers and cross-border commuters) to Germany, the most important destination of Czechs, clearly indicates a decreasing trend of Czechs working in that country. According to the best estimates available, about 50,000 Czechs (including illegals) worked in Germany 1992, but in 1995 they were only about 25,000 (Horáková-Drbohlav 1998). At the present their number is probably even smaller. Germany imposed an important limitation on some of these programmes in 1996 and 1997.

⁹ Slovaks and Poles are the most important ethnic group.

¹⁰ Slovaks, Ukrainians, Vietnamese and Poles predominated over the other groups.

tion of business activity), b) demands of the Czech labour market (caused by deficit in some branches of economy), c) current immobility of the Czech labour force (a 'frozen' settlement and internal migration structures as a consequence of legislative/administrative barriers, a collapse of a housing construction and non-existence of a free housing market).

Besides this official/registered immigrant community, one can estimate that probably some 100,000 to 150,000 illegal workers might work in the country¹¹. Moreover, transit migrants via Czechia to western countries form a great part of international migration in the country. United Nations (UN ECE) estimated that this number was as high as 100,000–140,000 in 1993. While the share of legal immigrants of the total population of the Czech Republic represents some two percent, in fact, a share of all alien immigrants might be twice as high. Naturally, there are important regional disparities in the country. For example, the current number of foreigners in Prague (excluding tourists), both registered and unregistered, permanent and temporary, is estimated to be about 10 percent of the total population (Čermák-Drbohlav-Hampl-Kučera 1995). The high numbers of emigrants from Prague and immigrants in the city¹² justify the concept 'gateway city' (see e.g. Drbohlav-Sýkora 1997).

Migration preferences and migration potential in the Czech Republic and Prague

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

According to the surveys 12 to 20 percent of Czech citizens would like to leave for another country and settle there¹³ in the 1990s. It is interesting to see that recent (1997 and 1998) worsening socio-economic problems in the country have not increased the share of those who would like to emigrate. On the contrary, the share has been decreasing over time. (It fully corresponds to the Czech population's assessment of the living standard which is really far from being deeply pessimistic.) According to these surveys, the 'average' potential emigrant in Czechia is single, unemployed and well educated man under 40 years (the results are very similar to those obtained in other CEECs). Intention to migrate decreases with the increasing age. The most favourite destinations are

¹¹ In fact, estimates range from 50,000 to 300,000 depending on the evaluators and the time of evaluation (see Horáková-Drbohlav 1998).

¹² About 32 percent of those who have been granted a long-term residence permit and stayed in Czechia lived in Prague at the end of 1997.

¹³ We have to keep in our minds that several aspects erode a comparability of the results. For example, questions and sampling methods may differ from a survey to another.

relatively stable over time – every fifth respondent prefers to live in the USA, France and Germany come next. Regarding inhabitants of Prague, their emigration potential seems to be slightly higher than the average typical of the whole country. Great Britain and France (both 15 percent); followed by Australia, the USA, the Netherlands and Switzerland (each 10 percent) are the most attractive destinations for citizens of Prague. Comparing the emigration potential with the assessments of living standard¹⁴, it seems obvious that in Prague emigration is a way to improve living conditions rather than a strategy to survive. The overall structure of international migration is changing everywhere, not only in Czechia. Temporary moves and commuting become more and more popular. Many of Czechs are interested in possibilities to work in western countries, but temporary rather than permanently. Some survey results indicate that this interest seems to be decreasing. Along with the integrating Europe, one-way migration is more and more replaced with short-term exchange migration.¹⁵ According to the Institute of the Opinion Polls (IVVM – September 1996), 37 percent of the respondents (a representative sample for the whole Czech Republic) would like to work abroad. In 1992 and 1995 the figures were 48 percent and 45 percent, respectively. These potential emigrants were mostly young people under 30 years, single men, well educated with a relatively good living standard. Main reasons for leaving the country were: higher salary (69 percent), new experience (11 percent), language skills (7 percent). On the other hand, three quarters of the respondents vote for the Czech Republic as the country where they prefer to live to any other possible destinations.

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

Research data and methodology

The survey concentrated on employees in enterprises and other organizations which were selected randomly in Tallinn, St. Petersburg, Prague and Bratislava by using enterprise registers¹⁶. The organizations were divided into categories by ownership and size. The number of the selected enterprises and other organizations was proportionally

¹⁴ Rather a positive assessments of the living standard is linked with those having the university education, entrepreneurs, young people below 19 and those who live in Prague.

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

¹⁶ The research is carried out by the project group: Olli Kultalahti, Ilari Karppi and Heikki Rantala, University of Tampere, Department of Regional Studies and Environmental Policy, Tampere, Finland. In this paper, we concentrate on migration pressure in Prague.

related to the number of all organizations in each category. All major sectors were covered. The total number of the selected organizations in Prague was 30 and the number of randomly selected employees to be interviewed was 600 in Prague¹⁷. The survey was conducted between May and July 1996.

Discussion of Empirical Results

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

Emigration potential in Prague was further analyzed by using a logit specification. Table 2 informs us about the variables used in the logit specification. Table 3 displays the means of these explanatory variables in relation to willingness to emigrate (two migratory groups: non-emigrants and potential emigrants). Table 4 contains information regarding the SAS (Proc logistic) generated regression results and table 5 brings odds ratios and other computations that are subsequently discussed.

The dependent variable (MOVE) is equal to one if the respondent has no intention to emigrate (reply category 4 in the above mentioned question), zero if he or she has a concrete plan or intention to emigrate (categories 1–3). Explanatory variables consist of personal and employer measures. Personal characteristics of the respondents include measures on demographic characteristics, education attainments, work history, foreign language ability and contacts to foreign countries. The demographic characteristics measured are SEX, AGE, and marital status (MARSTAT). Education attainments include the level and field: a college or university degree (EDUC2) and the field of business, economics or commercial services (EDUFLD1). The employment history of the respondent is measured by a potential unemployment period during the last 12 months (EMPLSTAT) and whether the present job has started after 1991 (JOBAFT91). Ability to speak at least two foreign languages measures an aspect of the possibility to survive and succeed in a foreign country (FRGNLANG). And finally, connections to foreign countries are measured by two variables: were family members, relatives or acquaintances living abroad at the moment of interviews (ABRTIES) and has the respondent earlier studied or worked abroad (FRGNSTAY). The measures of the

¹⁷ The collection of the data in Prague was in practice carried out by 'research subgroup': Jiří Blažek, Dušan Drbohlav, Eva Jánková-Uhliřová, Charles University, Department of Social Geography and Regional Development, Prague, the Czech Republic.

employer's characteristics include the ownership of the firm; joint venture or multi- or transnational corporation (FRGNOWN) and the field of the company; in import and export, finance and insurance or business management services (SERVFIRM).

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

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

Education is in a key position in many respects. It is related to information needed making a decision to emigrate, the educated have, in general, more information than the less educated. The educated have also more transferable skills needed in the labor markets of a foreign country. As for the transition economies, education plays even a more important role. Not only the level of education matters but also the field of education. Many skills relevant in the former socialist economies are not sufficient in the competitive labor markets of the market economies. In terms of possibility to emigrate from a transition country to a western market economy, skills related to information technology and in general to modern business activity are essential. (In the logit specification presented in this paper, a degree in the field of business, economics and commercial services has been taken as a measure on education particularly needed in the market economies). Recent phases of employment status are indicators of the stability working conditions. If the respondent has recently been unemployed or laid off (that is, on a 'forced vacation'), the prospects of the future may not be very confiding. Work conditions changed dramatically after the collapse of communism. State-owned companies were privatized, many new small firms and joint ventures were established, the role of transnationals increased, etc. (see Drbohlav-Sýkora 1997). The year 1991 is a turning point. After that, markets rules played a totally different role in employment contracts and other work conditions.

As far as emigration is concerned, foreign language ability is crucial. It gives conditions for surviving and adapting in new circumstances. Rather many employees in CEECs can speak, with the exception of employees in Russia, at least one, and some even two foreign languages. In many cases the best known foreign language is Russian but also German and English are to some extent managed¹⁸. Former and present connections

¹⁸ According to an AISA opinion poll (a representative survey) which was carried out in Czechia in May and June 1996, 20 percent of the respondent sample assessed their knowledge of Russian as very good or rather good. The corresponding figures for German and English were 16 percent and 9 percent, respectively. Unlike in the case of Russian and German, the knowledge of English language is importantly linked with younger people: 30 percent of those aged 15 to 19 years indicated at least good knowledge of English.

to foreign countries are important as well. Family members, relatives and acquaintances living abroad may have many kinds of influences. They give stimuli for decision making, they are able to help in the process of emigration and in settling down in new circumstances. Former personal experiences in and knowledge of foreign countries are important as well. They can compensate a lack of direct contacts in the West. Employers' characteristics give information about the role of the present work organization in creating condition for willingness to emigrate and, to a certain extent, for possibility to emigrate if wanted.

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

Table 3 presents the mean values of the explanatory variables and intention to move. We can examine some of the most relevant differences between the means. The category 'potential emigrants' refers to those respondents who had a concentered plan to emigrate or indicated an intention to emigrate. 'Non emigrants' are those who had no intention to emigrate. The results of the survey more or less confirmed the hypotheses formulated above. As compared to the non-emigrants, the following characteristics describe potential emigrants in Prague: they are younger, more of them are single, more educated, worked for their present employer a shorter time, have more contacts abroad (via family members, relatives or acquaintances abroad and through working or studying abroad) and better knowledge of foreign languages. Potential emigrants in Prague are 35 years old on the average, 37 percent of them have college or university degree and even two thirds of them have relatives or acquaintances living abroad.

Table 4 demonstrates the parameter estimates, significance levels of each explanatory variable, and measures of goodness of fit for the specifications of the general model¹⁹. Given the sample, a word of caution is necessary regarding the interpretation of the results. The sample consists of only employed people at the moment of interviews and questionnaire collections. The capital and the employees there do not represent the whole country. The SAS program reorders the values so that a positive significant coefficient implies that the variable contributes to increasing probability of emigration. A negative coefficient means that the variable decreases the probability of emigration.

There are seven variables which have significant coefficients in the model. Age and marital status (MARSTAT: being married) decrease, and college and university degree (EDUC2) and ability to speak foreign languages (FRGNLANG) increase the probability of emigration at a 99 percent level of confidence in the model. Sex (being male), relatives and acquaintances (ABRTIES), and former experiences abroad (FRGNSTAY) increase it at a 95 percent level. The results strengthen the earlier conclusions and again confirm the

¹⁹ The logit model specification used in this paper are justified particularly by the following criteria: first, the circumstances in CEE transition countries are new and so far rather little has been known about what is really going on there in terms of migration pressure; second, the logit model gives information about the relative importance of the explanatory variable.

hypotheses. Based on these results one can sketch that Czech economy is in many senses close to that of a market economy; the probability of emigrating is increased by the variables closely related to competitive capabilities (transferable skills) of potential emigrants and demands for labor skills of western market economies.

Table 5 exhibits the odds ratios for Prague. Odds ratios provide an approximation of how much more (less) likely it is for the respondent to result in a decision (intention) to emigrate. For example, the odds ratio of approximately 1.9 on the variable EDUC2 indicated that a respondent with a college or university degree in Prague is almost twice as likely to express intention to emigrate than not to do it. An odds ratio of 0.517 for the variable MARSTAT in the specification suggests that an employee who is married is about one-half as likely to present intention to emigrate compared to no intention. The odds ratio shows that males are about 1.5 times as likely to emigrate compared to no intention to emigrate. The married are about one-half as likely to emigrate compared to no intention to emigrate. The following odds ratios are also worth mentioning:

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

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

Conclusion

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

This paper is a study of factors creating migration pressure among employees in Prague, the capital of the Czech Republic (survey conducted in selected enterprises by using stratified sample in May and July 1996). Migration pressure refers to a difference between willingness to emigrate and possibility to emigrate. Importantly, the study of a few surveys confirmed that the overall emigration pressure is fairly stabilized over time. Also, it was proved that in comparison with other regions (usually measured via the average for the whole country) the emigration pressure is higher in Prague. Our study revealed that one percent of the respondents expressed a firm interest to leave for a foreign country for more than one year and they have already been arranging their

departure. Further 13 percent would like to leave now but so far they have not undertaken any specific steps, 22 percent would like to migrate but not now, whereas 64 percent do not intend to leave Czechia at all. The results concerning the most attractive destination countries were also consistent with those of other surveys (e.g. countries like Germany, France, Austria, Switzerland, Canada, USA and Australia belong permanently to the most attractive destinations for population in CEEc).

The analysis fairly clearly indicates that the dramatic socio-economic changes influence particularly the probability of emigrating of people who are in a certain turning-point of their lives and who meet requirements needed for overcoming barriers to emigrate to another country. The turning-point was measured by age, marital status and employment history. Young and single people are the most willing to emigrate. Education gives transferable skills and tends to decrease barriers to emigrate. Further, the results concerning the Czech employees suggest that there are some pull factors in foreign labor markets which are based on competitive characteristics of the market economies. The variables suggesting this conclusion are education, foreign language ability and work in the field of business services and export/import. As for the importance of relatives and acquaintances living abroad, in Prague their relative importance is considerably smaller than e.g. in St. Petersburg, Tallinn and Bratislava (see Kultalahti 1998). However, even in Prague these social networks extending abroad strengthened the respondent's willingness to emigrate. Becoming more familiar with western life and labour markets strengthen probability of emigration from Prague/the Czech Republic.

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VLIV TRANSFORMAČNÍCH PROCESŮ NA EMIGRAČNÍ POTENCIÁL (PŘÍKLAD PRAHY)

Résumé

V příspěvku jsou shrnuty výsledky dotazníkového šetření potenciální emigrace z České republiky provedeného ve vybraných institucích v Praze v období května až července 1996. Náš výzkum potvrdil, že podíl potenciálních emigrantů je v Praze ve srovnání s ostatními regiony České republiky významně vyšší. Okolo jednoho procenta respondentů vyjádřilo vážný zájem opustit republiku na období delší než jeden rok a v tomto směru již podnikly konkrétní kroky. Dalších 13 % uvažuje nyní také o emigraci, ale zatím v tomto směru nic neučinily, 22 % dotázaných by chtělo emigrovat někdy později a 64 % zatím o vystěhování z České republiky neuvažuje. Cílem většiny potenciálních emigrantů jsou tradiční migračně atraktivní státy jako je Německo, Francie, Švýcarsko, Kanada, USA nebo Austrálie. Výzkum prokázal, že socioekonomické změny po roce 1989 ovlivňují emigrační potenciál především u osob, které se nacházejí v určitých zlomových fázích životního cyklu. Vysoký emigrační potenciál mají především mladí a svobodní lidé. Významnou roli hraje úroveň vzdělání, které je důležitým faktorem při překonávání migračních bariér. Z ekonomického hlediska má důležitou roli vysoká atraktivita (pull faktor) trhu práce ve vyspělých zemích. Vliv rodinných vztahů vůči místu potenciální emigrace byl v našem výzkumu výrazně nižší než v některých jiných východoevropských metropolích (Bratislava, Tallin, St. Petersburg).

Table 1 Selected surveys on potential migration, Czech Republic, 1994–1998

<i>Term of survey</i>	<i>Country of survey/origin</i>	<i>Number of surveyed respondents</i>	<i>Question on potential migration</i>	<i>Answers on questions on potential migration (in %)</i>	<i>Structural characteristic of potential migrants (in %)</i>	<i>Country of interest (in %)</i>
1994 1)	Czechia Prague	1,120 (over 14 years) 113	Would you like to live in another country than Czechia?	15 18	Rather men than women (18 versus 13) under the age 20 (38)	USA (21), Germany and Switzerland (both 13) France, England (both 15)
1995 1996 2)	Czechia	1,504 1,028 (over 15 years)	Do you intend to migrate because of work abroad?	32 never, 45 yes or maybe 35 never, 37 yes or maybe		
1996 3)	Czechia	4,392 (over 14 years)	Do you intend to emigrate from your country of origin?	20	Men represented by some 2/3	Austria, Germany were the most important destination countries
1998 4)	Czechia	510 (over 14 years)	Would you like to live in another country than Czechia?	12		USA (21), France (16), Australia or New Zealand (13)

Notes:

1) AISA survey.
2) IVVM survey.

3) H.Fassmann (Hintermann) survey – The results also concern Slovakia, Poland and Hungary.
4) Median survey.

Table 2 Variable Descriptions

Dependent Variable MOVE: emigrate.	1 if the person has no intention to emigrate. 0 person has intention or practical plans to emigrate.
Independent variables	
Personal characteristics	
SEX:	1 if male. 0 otherwise.
AGE:	Years.
MARSTAT:	1 if married. 0 otherwise.
EDUC2:	1 if the respondent has a college or university degree. 0 otherwise.
EDUFLD1:	1 if the respondent has a degree in the field of business, economics or commercial services. 0 otherwise.
EMPLSTAT:	1 if the respondent has had an unemployment period during the last 12 months. 0 otherwise.
JOBAFT91:	1 if the respondent's job started after 1991. 0 otherwise.
ABRTIES:	1 if the respondent has family members, relatives or acquaintances abroad. 0 otherwise.
FRGNSTAY:	1 if the respondent has been working or studying abroad. 0 otherwise.
FRGNLANG:	1 if the respondent speaks at least two foreign languages. 0 otherwise.
Employer's Characteristics	
FRGNOWN:	1 if the respondent works in joint venture or multi- or transnational corporation. 0 otherwise.
SERVFIRM:	1 if the respondent's employer is in the field of export/import, finance and insurance, marketing and advertisement or business management services. 0 otherwise.

Table 3 Mean Values for Variables and Intention to Emigrate (Prague)

	All N=605	Non-Emigrants (0.650 of N)	Potential Emigrants (0.350 of N)
SEX	0.435	0.438	0.429
AGE	39.68	42.20	35.02
MARSTAT	0.559	0.641	0.406
EDUC2	0.294	0.257	0.363
EDUFLD1	0.246	0.226	0.263
EMPLSTAT	0.053	0.038	0.080
JOBAFT91	0.549	0.476	0.684
ABRTIES	0.395	0.341	0.495
FRGNSTAY	0.099	0.059	0.175
FRGNLANG	0.610	0.534	0.750
Employer's Characteristics			
FRGNOWN	0.203	0.186	0.236
SERVFIRM	0.112	0.076	0.179

Table 4 Logit Models (Prague)

Variable	Parameter Estimate
Constant	0.0036
Personal Characteristics	
SEX	0.427**
AGE	-0.041***
MARSTAT	-0.661***
EDUC2	0.620***
EDUFLD1	0.296
EMPLSTAT	0.262
JOBFT91	0.287
ABRTIES	0.499**
FRGNSTAY	0.654**
FRGNLANG	0.627***
Employer's Characteristics	
FRGNOWN	-0.378
SERVFIRM	0.715**

***Significant at the 1 percent level, **significant at the 5 percent level, *significant at the 10 percent level

Number of observations

605

LR-test

119.21***

Table 5 Odds Ratios, Average Probability of Intention to Emigrate, Average Probability of Intention to Emigrate due to education, unemployment and relatives and acquaintances living abroad

Variable	Odds Ratios
Personal Characteristics	
SEX	1.532
AGE	0.960
MARSTAT	0.517
EDUC2	1.860
EDUFLD1	1.345
EMPLSTAT	1.299
JOBFT91	1.332
ABRTIES	1.647
FRGNSTAY	1.923
FRGNLANG	1.873
Employer's Characteristics	
FRGNOWN	0.685
SERVFIRM	2.044

Average Probability of Intention to Emigrate (estimate based on the parameter estimates using mean values of the significant explanatory variables and computational methods as in Greene, 1993) 0.417

Increase in average probability of Intention to Emigrate due to

- education (estimate based on a value for education=0 (no college/university degree), all other significant variables at their mean values.) 0.053
- relatives etc. abroad (estimate based on a value for ties abroad=0 (no family members, relatives or acquaintances living abroad), all other significant variables at their mean values.) 0.058