## Territorial Aspects of the Characteristics of Foreign Population in Hungary and the Influence of these on their Integration in the Labour Market

(Provisional abstract)

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After the political transition of 1989, Hungary witnessed an upsurge in immigration and a significant increase in the rate of foreigners living in the country. The questionnaire form of the 2001 census was the first one in Hungary since 1960 to include a question about citizenship. According to the resulting data, of the 10,198,000 residents in this country 1.1% (110,600 persons) were the citizens of some other country (17,500 of these had dual citizenship). According to immigration statistics, the number of foreigners resident in Hungary has been growing steadily since 2001 and by 2007 reached 166,000 (despite the fact that between 2001 and 2006 almost 33,000 people were naturalized). Although census data do not allow us to explore changes over time, they do offer a more nuanced cross-sectional view of the composition and territorial distribution of foreign population resident in Hungary than migration statistics. Beside the demographic characteristics of foreigners (sex, age, marital status, number of children), they contain details about their nationality, level of education, languages spoken, as well as about their labour market position and occupational status. This is particularly important as there is no source of comprehensive data about these last characteristics of resident foreigners – we can only gain access through a few surveys carried out among certain narrow groups.

According to the census of 2001, within the foreign population 38% were Romanian, one tenth were citizens of former Yugoslavia and another one tenth of the Ukraine. At the same time, 86% of Romanian and three quarters of Yugoslav and Ukrainian citizens were Hungarian by ethnicity. (The rate of ethnic Hungarians was even higher among those who were granted Hungarian citizenship in the 1990's.)

The distribution of the foreign population by citizenship and ethnicity reflects clearly the peculiarities of Hungarian immigration – i.e. the predominance of ethnic Hungarians arriving

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<sup>&</sup>lt;sup>1</sup> The rate of foreign-born persons was considerably higher, since between 1993 and 2000 over 68,000 people were granted Hungarian nationality.

from the minorities of the neighbouring countries. This peculiarity goes back to the cultural and historical links that as a rule determine patterns of migration in Europe. At the same time, networks of contacts based on ethnic connections also play a powerful role in stimulating and regulating migration.

The territorial distribution of the foreign population shows a rather characteristic pattern: clearly distinguished target areas are the central region of the country and, within that, the capital. At the same time, immigrants from the various sending countries tend to concentrate in particular geographic locations: while Romanian citizens mainly settle in the capital city and its surroundings, nationals of the Ukraine and Yugoslavia tend to chose regions along the borders of their country of origin. In this context the question arises how far the choice for settling is determined in the case of newcomers by the spatial distribution of earlier immigrants from the same sending country and their proportion in the area in question (on the individual level by the personal networks which already exist) and how far it is decided by the economic and labour-market characteristics of the region in question.

A higher rate of immigrants with the same origin can influence the integration of new arrivals as well. A large community of immigrants can partly make it easier for newcomers to integrate, acting as a considerable resource and supportive base; on the other hand, over the long term it can also hinder immigrants' integration in the receiving society, allowing the emergence of segregated communities. We may frequently note segregation in the labour market, too: immigrants of the same background often conglomerate in the same sectors or occupations, sometimes forming ethnic enclaves.

Surveys carried out among immigrants who had arrived from the neighbour countries and settled in Hungary have so far shown that their integration in the labour market, both in terms of economic activity and occupational status, has usually been successful. There are, however, groups where a significant rate of persons have become inactive or shown downward mobility (Tóth, 1997; Gödri 2005). Successful integration in the labour market was to a great extent due to the composition of the group of immigrants in question: their younger overall age structure and an average level of education higher than that of the receiving population have in themselves improved their chances in the labour market. At the same time, having the same ethnicity and mother tongue as the receiving society, these immigrants do not need to face the linguistic and cultural barriers which most immigrants, speaking a foreign tongue, need to overcome. Furthermore, relevant surveys also reveal that this group of immigrants has a considerable network of contacts in the target country even before their

arrival, which most of them successfully mobilise just before migration or in the first period of their settlement (Gödri, 2007).

Although the lack of linguistic and cultural barriers no doubt reduces the costs and risks of migration, these so-called ethnic migrants still need to face a country which is new and alien to them. Surveys have shown that despite being of the same ethnicity, guest workers from Transylvania face a practice of economic and national exclusion on a daily basis in Hungary (Fox, 2003, 2007).

Immigrants' chances of integration in the labour market are powerfully determined, besides their individual characteristics and their personal networks, by contextual factors as well. These include the characteristics of the labour market at the location where they had settled, the presence or absence as well as the rate of immigrants from the same background and their position in the given territorial unit (region, county, town or village).

Mindful of the connections outlined above, the paper first gives a descriptive analysis of the territorial distribution of foreigners living in Hungary and the spatial disparities in their various characteristics. Next I shall use multi-variant explanatory models to examine the following two areas of questioning:

- in the case of immigrants from various countries of origin how is the choice of *location for settling* determined by the territorial distribution of the foreign population already present in the country and their rate in the population at the location in question on the one hand; and, on the other hand, by territorial differences in the economic and labour market indicators (employment rate, unemployment rate, GDP);
- how is the *labour market integration* of immigrants determined by the proportion and position of foreign population from the same country within the given territorial unit and by the labour market characteristics of the location.

In order to answer these questions we combine survey data (place where immigrants of the given year settled, indicators about their integration in the labour market) with macro-data (rate of immigrants per thousand inhabitants; rate of immigrants with higher education degrees; economic and labour market indicators).

For the analysis we used data from the 2001 census; results of the survey carried out in 2002 among people who ha acquired an immigrant status in 2001; and data from the 2008 Labour Force Survey concerning foreign citizens.

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