

**Social Networks and Pull Factors in Migration Success: The Case of Hungary**

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**Abstract**

Immigration is an important component of the global community. Historically, immigrants have provided necessary labor for many industries and influenced the cultures of numerous nations. Immigrants are especially important in nations where the population is in decline and the working class is nearing retirement. Nations such as this need a strong immigrant influx to counter the effects of population decline. Despite this, some nations, such as Hungary, take a conservative stance towards immigration, establishing laws and policies intended to make immigration more difficult if not discourage it entirely. This paper will analyze the case of Hungary, from its early attitude toward immigration, through the tumultuous years of the World Wars and Communist rule. An analysis of Hungary's pull factors (factors that entice immigration) will explain why it remains a nation of immigration, including economic factors, its geographical location, and its demographics. Following that analysis will be a look at how the European community has affected Hungarian immigration policies. Finally, this paper will provide an account of the Chinese immigrant community in Hungary, which has found success through the utilization of social networks.

**Introduction**

The nation of Hungary has found itself becoming a nation of immigration, a change from a long period of emigration. This change has come about as a result of the end of the Communist government in 1989, and its increased penetration in the European community. Hungary is located in between Western and Eastern Europe, making it a prime destination for immigrants. The majority of immigrants to Hungary have been ethnic Hungarians, mostly from neighboring countries such as Romania (Behr et al, 2002: 283-284). There is another group of immigrants in Hungary that, while not as numerous as ethnic Hungarians, represents a large and visible segment of the Hungarian population. This group is comprised of Chinese immigrants, who have faced discrimination and intolerance from various arms of Hungarian society, including the government, the media, and the police (Nyíri, 2005: 661). Yet the Chinese immigrants have been able to achieve some amount of economic success. There has been widespread creation of jobs within the Chinese community, with Hungary becoming the regional hub for Chinese-manufactured products (Nyíri, 2003: 252). Their success has been in large part due to their strong networks both in Hungary and China. These networks are increasingly important in migration, and act in concert with traditional factors of migration to increase the odds of success for many modern migrants.

## Immigration Theories

Important aspects of migration are push and pull factors. Push factors are reasons why a person would leave a particular nation, while pull factors are reasons why a person would enter a particular nation (Castles and Miller, 2003: 22). Some common push factors, especially in the former Soviet states, are economic disadvantages compared to Western Europe and the authoritarian forms of government in the East. Economic disadvantages include low GDP, low GDP per capita, high unemployment, and growing inflation. Countries that are burdened with the above problems would be a source of migrants seeking better lives and economic opportunity in more developed countries. Authoritarian governments in sending countries can lead to political oppression, denial of basic human rights, or migration restrictions. Immigrants from these countries would be seeking escape from harsh political conditions, and could include asylum seekers and refugees (Castles and Miller, 2003: 22-23).

Pull factors can be counterparts to push factors, such as economic prosperity or more liberal government. More prosperous nations are more likely to be able to support immigrants by providing jobs or social welfare programs. And liberal nations are traditionally more welcoming of immigrants, adding to the appeal of the nation. Another important pull factor is location. Even nations that have a small degree of development can be nations of immigration if they provide access to highly developed nations by serving as transit states (Castles and Miller, 2003: 22-23).

Another way of trying to account for migration is by looking at historical connections between sending and receiving countries. Traditionally, these historical connections are based on labor needs of the receiving, usually developed, country (Castles and Miller, 2003: 25). The encouragement of labor-based immigration by developed nations has occurred many times throughout history. Historical connections promoting migration also exist outside of labor, such as with former allied nations, or connections with former imperial powers and their colonies.

Another force of migration lies in the formation of social networks within immigrant groups. These networks facilitate migration and are important for migrants because they supply employment opportunities, economic support, a social structure, and a means to influence business and government (Castles and Miller, 2003: 29-30). These social networks are a prominent part of transnationalism, which is when “people migrate regularly between a number of places where they have economic, social or cultural linkages” but the importance of social networks extends to traditional immigration as well (Castles and Miller, 2003: 29). Social networks provide the backbone for successful migration by providing some advantages for migrants. These advantages, listed above, provide at least some degree of power to the migrant, better enabling them to succeed in their new country.

This paper will illustrate the importance of pull factors in immigration, with a focus on social networks and the example of Chinese migrants in Hungary. Networks allow immigrants to acquire information, form strong bonds with people who can assist them in immigrating, and gain some form of influence with business and governments. With strong pull factors and established social networks immigrants have a greater chance of success in their new nation.

### **Hungary: Historical Background**

Hungary at one point in its history was welcoming of immigration and emigration. Between the years 1899 and 1913, Hungary allowed over one million citizens to leave for other countries seeking work. Hungary in turn was the recipient of a large number of people from other nations, including a large, steady flow of Austrian Jews (Szoke, 1992: 305-306). As a result of being part of the losing Triple Alliance in World War I, Hungary suffered a large loss of land with the Treaty of Trianon. The Treaty also forced Hungary to grant substantial civil rights to everyone living with its borders and the naturalization of a large number of people as Hungarian citizens (Treaty of Trianon).

Following World War II, Hungary's society changed dramatically. A flood of immigrants entered the country, including 113,000 from Czechoslovakia and 210,000 from Transylvania and Yugoslavia. The installation of Communism restricted the flow of immigrants and led many Hungarians to seek asylum in other countries (Szoke, 1992: 306). As political asylum was difficult to acquire in Hungary during the period of communist rule, it would not be until the communist government was removed from power in 1989 that Hungary became more open to migration (Szoke, 1992: 307).

The 1989 transition to democracy cemented the liberal nature of Hungary's new immigration policies. Laws established the right for Hungarians to emigrate from and immigrate to Hungary. However, foreign-born people still faced limitations, as they needed special clearance and proof that they could assimilate into Hungarian society (Szoke, 1992: 307-309). The policies of post-communist Hungary were in general liberal however, especially in comparison to the strict immigration policy of the Communist government.

Today, Hungary's strict attitude towards immigration is based on its political development in the 20<sup>th</sup> and 21<sup>st</sup> centuries. This development, in particular the overthrow of communism and its efforts to acquire EU membership, has paradoxically also caused Hungary to become a nation of immigration. Hungary has also acquired a set of pull factors that, while they are common factors, are unusual based on Hungary's economic status.

## Pull Factors for Hungary

Hungary's economic pull factors are unusual because, in comparison to its EU neighbors, Hungary seems to offer little reason for immigrants to seek residency in the nation. As the table below illustrates, in terms of GDP Hungary is weaker than Austria and the Czech Republic. Its GDP per capita is lower than all of its EU neighbors except Romania, and its unemployment percentage is higher than its neighbors. Inflation has also hit Hungary harder than some of its EU neighbors. Despite the seemingly overwhelming economic disadvantages of Hungary, the nation is still a destination for many immigrants today. This can be explained by looking at Hungary's non-EU neighbors. When compared to the nations of Serbia and Ukraine, and the candidate-state Croatia, Hungary has a higher GDP and GDP per capita, as well as a much lower unemployment percentage than Serbia and Croatia and a lower inflation rate. Compared to the sending countries, Hungary is economically more advanced and, at the same time, ineffective in sufficiently stopping migration.

*Table: Economic Indicators (2008) for select European States*

	GDP (in purchasing power parity)	GDP per Capita (in purchasing power parity)	Unemployment %	Inflation %
Hungary	\$ 196.7 Billion	\$ 19,800	7.8	6.1
Austria	\$ 331.2 Billion	\$ 40,400	3.9	3.2
Croatia	\$ 82.58 Billion	\$ 18,400	13.7	6.1
Romania	\$ 272 Billion	\$ 12,200	4.4	7.8
Slovakia	\$ 119.8 Billion	\$ 22,000	7.7	4.6
Slovenia	\$ 59.49 Billion	\$ 25,600	6.7	5.7
Serbia	\$ 79.77 Billion	\$ 10,800	18.8*	6.8*
Ukraine	\$ 338.6 Billion	\$ 7,400	3	25.2

*Source: CIA World Factbook. \* = 2007*

A second pull factor, Hungary's location, also makes it a primary target for immigrants. Hungary is located on the outer borders of the EU, neighboring the non-member states of Ukraine and Serbia and the candidate-state of Croatia. Hungary also has great access to Western Europe, in particular the more prosperous nation of Austria, through which destinations of even more prosperous nations like Germany and Italy can be reached. Hungary is a sort of crossroads to Western Europe through which immigrants have historically been able to travel from the poorer nations of the East to the more advanced nations of the West. An example of this type of travel can be seen with Romanian immigrants in the 1980s. A large number of Romanians, fleeing due to the excesses of the Ceausescu regime in their country, sought freedom in Hungary (Szoke, 1992: 307; Danta, 1993: 174-181). Another example of people migrating to Hungary during the 1980s came from East Germany. In 1989, on the verge of its transition to democracy, Hungary's government decided to

allow East Germans to enter West Germany through Hungary (Szoke, 1992: 308). These examples from the period of communist rule show the strong pull factor of Hungary's location, something that continues to this day with its membership in the European Union.

During Communist rule Hungary's relatively liberal attitude toward immigration, in comparison to other former Soviet states, was also a strong pull factor for immigrants. An example of this can be seen in the aftermath of the 1956 Revolution. Although the communist government in Hungary became more stabilized, migration restrictions were eased, and many Hungarians sought political asylum in neighboring countries. Many Hungarians were also able to leave as tourists, the total number reaching the millions during the 1970s (although most of them returned to Hungary). Though these people were not all migrants, the example shows that Hungary's borders were more open than other Soviet states. Workers from nearby communist countries, like Poland, and from other communist nations, like Cuba, China, and Vietnam, migrated to Hungary, while some Hungarian workers were allowed to work in the Middle East during this time period. These workers were brought in to work in Hungary's industrial sector (Szabo and Borsanyi, 2006: 82; Szoke, 1992: 306-307). Even during a period of strict immigration control and an oppressive communist government, Hungary was able to retain some of its liberal disposition for immigration.

The transition to democracy from communism encouraged migration in Hungary by removing the last vestiges of communist power in the country. This transition affected both the government of Hungary and migrants. In particular, the status of refugees in Hungary was one of the primary concerns for the new democratic government. The rising number of refugees (54,000 between 1987 and 1991) contributed to the growing importance of immigration legislation. A Program for National Renewal was proposed in 1990 to detail the goals of the government. Part of the Program dealt with improving the system of granting refugee status to immigrants and helping refugees become functioning members of Hungarian society. The Program encouraged freedom of movement as well, though without clear definitions for how to implement such freedom. The fall of communism in Hungary also encouraged people to either migrate to or through Hungary from areas such as the USSR and Bulgaria. Hungary became a country of immigration, with many immigrants entering Hungary in order to make their way to Western Europe (Szoke, 1992: 310-312). The increased openness of Hungary and its location now as a democratic state between the Soviet Union and Western Europe created a strong pull factor for migrants to make their way to the country.

Another pull factor for Hungary lies in its current demographics. The population and the population growth of Hungary have been on the decline in recent years. In Hungary the population declined from 10,221,644 in 2000 to 10,097,549 by January 1, 2005, a 1.2% decline in only five years. Birth totals averaged about 95,000, less than 1% of the total population, per year from 2000 to 2004, and death totals averaged about 135,000, greater than 1% of the population, per year in the same time period. Hungary's migration totals have declined from 20,200 in 2000 to 18,100 in

2004, while emigration from Hungary has risen from 2,200 in 2000 to 3,400 in 2004 (Sardon, 2006: 198, 234-235, 260-261) Hungary's population for 2009 was 9,905,596; the birth rate for Hungary has been 9.51 births per 1000 citizens, ranked 205<sup>th</sup> in the world, while the death rate has been 12.94 deaths per 1000 citizens, ranked 30<sup>th</sup> in the world. Overall population growth for the year was -0.257%, one of the lowest in the world (CIA World Factbook, 2009). These trends toward population decline are alarming as current immigration is unable to make up for the annual loss of people through death or emigration. With Hungary's growth rate being among the lowest in the world, and the birth rate's continual inability to offset the death rate, the country will face a pressing need for immigration.

### European Effect on Hungary

As Soviet regimes were beginning to collapse throughout Europe, Hungary made efforts to become an active participant in immigration policymaking. Laszlo Szoke cites the various ways Hungary involved itself in immigration:

[T]here is now an office of the UN High Commissioner for Refugees in Budapest; in the autumn of 1990, Hungary played an active role in establishing the working group on migration of the Pentagonale (later renamed Hexagonale) group of Central European countries; in November 1991, Hungary joined the International Organization for Migration as an observer; since the end of 1990, Hungary has taken part in the activities of the Committee on Migration of the Council of Europe; in 1991, a Hungarian delegation was present at the Vienna ministerial conference on migration held under the auspices of the Council of Europe. Moreover, the conference requested the Hungarian authorities to work out the plans for organizing a European exchange of information in this field. Hungary then proposed to set up a specialized information agency to attain this goal, with its headquarters in Budapest (1992: 314).

These numerous actions showed that Hungary was ready to become an active participant in European migration concerns. Hungary made efforts to initiate migration discussion in European groups, to learn how to handle migration, and to engage in European migration policies.

Hungary, despite those efforts, proved unable to become a leader in immigration regulation. It lacked experience in dealing with migrants and a sound infrastructure in which to control immigration. During the 1990s, there were three major inflows of immigrants that Hungary and other Central European states were unable to control. The first movement came from the countries of the Warsaw Pact after its dissolution in 1991, the second from war-torn areas such as Bosnia, Croatia, and Kosovo, and the third from Africa and Asia. These immigrants took advantage of the inability of former Soviet states to control migration in order to migrate to strong economic regions

(Castles and Miller, 2003: 87-88). States like Hungary were supposed to stand as a buffer between the wealthier EU nations of the West and the poorer former Soviet states of the East.

The European Union's influence over immigration policy in Central and Eastern Europe has been great. Nations like Hungary, Poland, and the Czech Republic began seeking membership in the EU in 1998. The Schengen Agreement eliminated the need for passports to travel inside EU borders, which necessitated strong immigration control for nations along the outside of the EU. Hungary would become part of the Eastern border of the EU if they were allowed to join, so its inability to handle migration caused concern for several EU members. Austria, which shares a relatively large border with Hungary, was especially vocal about its desire for stronger immigration control in both Hungary and the Czech Republic. Ultimately, a faction of right-wing parties won election in Hungary, promising the strong immigration policies that Austria desired (Castles and Miller, 2003: 86-89). An example of these policies is income requirements for residence, where permits can be taken away from immigrants who fail to attain a certain income level. This, combined with higher unemployment rates that plague immigrants, prevents many from enjoying benefits granted to Hungarian citizens, as they are unwilling to collect on benefits for fear of losing residence. (Nyíri, 2005: 660). Another policy that Hungary has undertaken to limit migration has been the Hungarian Status Law.

The Status Law, drafted in 2001, granted special rights and financial aid to ethnic Hungarians living in neighboring countries, in areas such as health care, education, job training and employment (Behr et. al., 2002: 284). In effect, this status law extended Hungary's influence, if only partially, to its pre-Trianon limits. One goal was to partially restore some of Hungary's power in Europe, but another goal was to discourage immigration to Hungary (Racz, 2003: 753). Hungary could regain some of its strength and identity by essentially increasing its population by some 5 million people, through the benefits offered, while eliminating the need for those people to immigrate to Hungary and gain full-time employment or full economic advantages. The Status Law granted ethnic Hungarians living in foreign countries part-time employment in Hungary, totaling three months of the year (Stewart, 67-70). In addition, Hungary was relatively more advanced than some of its neighboring countries, so the financial aid granted to foreign Hungarians would likely be better spent in their homelands rather than in Hungary (Racz, 2003: 753). The Status Law allowed Hungary to project an image of strong national unity, and at the same time attempted to halt migration to Hungary. Policies such as this and the income requirements are ways that countries try to control or halt immigration. One way that immigrants are able to combat such policies is through utilizing social networks, a major component of transnationalism and a strong pull factor for immigrants.

## Social Networks: Chinese Immigrants in Hungary

The Chinese represent a sizeable immigrant group in Hungary. According to Pál Nyíri, there are an “estimated 10,000-15,000 Chinese” living in Hungary, comprising “the most visible and possibly largest immigrant group” (2005: 660). The Chinese community within Hungary provides an example of how important social networks are for immigrants, particularly in a nation with hostile policies towards immigrants. Within Hungary, Chinese concerns are often not treated with the same measure of importance. Some of these concerns are “the beating or robbing of Chinese merchants without adequate police response, restrictive changes in the issuance of visas or residence permits, rising customs duties and rents of market stalls” (Nyíri, 2005: 662). These actions (or inaction, in the case of police response) establish hostility towards not only Chinese immigrants but immigrants in general on the part of the Hungarian government. This hostility exists within the news media as well, which can be observed in the way Chinese immigrants are depicted in reports. Nyíri notes that “[t]he Chinese generally appear in news about crime, illegal migration, and customs crackdowns on counterfeit or smuggled goods,” along with stories about “body-snatching” and that the Chinese have stolen some 180,000 jobs from Hungarians (2005: 663-664). Even the Hungarian police forces and border guards view the Chinese negatively in their own publications, referring to the Chinese as a “Yellow Peril” (Nyíri, 2005: 664). Thus the Chinese face prejudice and scorn from the Hungarian government, the Hungarian news media, and even Hungarian security forces. Yet the Chinese still represent perhaps the largest population of immigrants in the nation. In addition to the usual push and pull factors for immigrants, there is another strong force influencing Chinese migration to Hungary.

The social network established by the Chinese gives immigrants a sense of belonging in an otherwise hostile nation. There are several Chinese newspapers and publications printed in Hungary, which have created an image of Chinese immigrants as “modernizers of and contributors to the Hungarian economy”, through advancements in industries and trade between Hungary and China (Nyíri, 2005: 666). Nyíri also notes that “Hungary is home to a thriving Chinese print media and a host of Chinese organizations, both much more numerous for the size of the Chinese population than in more established places of Chinese settlement in North America and Western Europe” (2005: 667). Chinese migrants in Hungary have established a strong support system for themselves based on preserving their heritage and issuing their own sort of propaganda designed to promote their positive character. The Chinese have also maintained their sizeable population without attempting to defend themselves from all Hungarian hostility, nor do they seek to interfere in Hungarian culture. And they have been successful, not only in Hungary but in Eastern Europe as a whole. Nyíri states:

New Chinese migrants in Eastern Europe, however, encountered economies with poorly functioning retail networks, undeveloped imports operating often in the grey economy, and considerable social and psychological barriers to local entrepreneurship. Their dense



transnational networks enabled them rapidly and flexibly to mobilize capital, goods, and labour to satisfy the needs of the market. ...[T]hey could afford to ignore their marginal position in Hungary and follow, instead, models of transnational entrepreneurship circulated in the global Chinese media (2005: 668).

In other words, Chinese migrants used the strength of their social networks to achieve some level of economic success in spite of poor economic conditions in their destination countries. In fact, the primary source for Chinese goods in East Europe is Hungary, with dealers from neighboring countries traveling to Hungary to purchase those goods. A recent study (2002) pegged the total number of Chinese businesses in Hungary at almost 10,000 (Nyíri, 2003: 252). By relying on these networks these migrants are also able to rise beyond their low status in Hungarian society.

### Conclusion

The nation of Hungary has become increasingly less open to migration in recent years. The trend towards more conservative policies towards migration stands in contrast to Hungary's traditional liberal attitudes, especially from the pre-World War era. This trend also stands in contrast to the realities of migration, as Hungary remains a destination country for many immigrants. Net migration to Hungary has averaged nearly 15,400 people per year, with its lowest points being in the years leading to its joining the EU – 9691 people in 2001, 3538 in 2002 – and its highest point coming after its ascension – 21,309 people in 2006 (Eurostat – ec.europa.eu).

Migration continues in Hungary because of its strong pull factors. While not as economically advanced as its West European neighbors, Hungary does possess greater wealth than its Eastern neighbors. Its ineffectiveness in stopping migration and its central location, combined with that comparatively greater economic status make Hungary a promising destination for many immigrants. In joining the EU Hungary also falls under the Schengen Agreement, allowing people who can migrate to Hungary, legally or not, the opportunity to continue their migration to more prosperous nations like Austria, Germany, and Italy.

An advantage for many immigrants is the social network that previous immigrants have created – having an established social network of employment, media, and residence areas enables those immigrants to achieve levels of success that otherwise would be denied or nigh impossible to reach. It is because of this capability to find success that makes social networks such an important part of the phenomenon of migration. With the presence of strong pull factors drawing immigrants to a nation, the advantages gained by social networks are invaluable.

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