

***Irregular Economic Activities of Migrants in the Czech Republic
(a Delphi Study about Adaptations in a Globalising Economy)¹***
DRBOHLAV, D., LACHMANOVÁ, L.

Abstract

This article concerns issues related to the irregular (illegal and quasi-legal) economic activities of migrants in the Czech Republic. Generally speaking, this is a very real and contradictory phenomenon, as it burdens the economies of developed destination countries, but also “enriches” them at the same time. The information and data presented here are the result of a Delphi Study (qualitative approach), which was based on analyzing the opinions and positions of selected Czech migration experts (obtained through structured group communication, and, at a much narrower conceptual level, by means of collecting expert opinions via distributed questionnaires interspersed with controlled feedback for individual rounds of the study). The research was performed in two rounds (from November 2005 through June 2006) with the participation of 32 (first round) and 23 (second round) experts from the academic, governmental, and non-governmental spheres. The study investigated the following topics: types and reasons of irregular economic activities carried out by migrants; basic characteristics of illegal migrants; an estimate of illegally economically active migrants; the future development of illegal economic activities by migrants; the impacts of illegal economic activities carried out by migrants; and the political goals and measures that will lead towards limiting this phenomenon. The overall results show that, even for migration experts, the investigated phenomenon, i.e., irregular economic activities on the part of migrants in the Czech Republic, is difficult to comprehend due to its “latency” and complexity, which is reflected in the fact that the opinions submitted by the experts were more dissident than concordant. On the other hand, the study unquestionably proves that a number of the aspects of this phenomenon are, in the opinion of Czech experts, identical to those with which we are familiar on the basis of experiences in other developed immigrant countries.

1. Introduction

Today, the foreign workforce represents an indispensable portion of the labor market in the majority of developed European countries and the Czech market is no exception. At the end of 2006, there were 321,456 foreigners residing legally in the Czech Republic and, of this number, 250,797 were economically active [Český statistický úřad 2007]. It can be expected that a significant part of the economic activities with which migrants contribute to the Czech economy are performed legally, in accordance not only with valid legislation pertaining to general employment conditions but also with the laws governing the residency and the employment or independent business activities of foreigners in the Czech Republic. However, it cannot be forgotten that, in the Czech Republic, as in other developed countries, there is also a “grey economy” [Renooy et al. 2004] in which migrants are also involved.

Illegal migration and economic activities performed by migrants outside of the framework of the law are a dangerous phenomenon. As they do not comply with the law and legislation, they contribute towards undermining democratic systems, which are built on adherence to legal principles. In principle, they are also inequitable. The participants

¹ The research is a part of the project (Ref. No. Ij 057/05-DP1), which is financed by the Ministry of Labor and Social Affairs of the Czech Republic. The topic being addressed also falls within the framework of Research Goal MSM No. 0021620831, which is financed by the Ministry of Education, Youth, and Sports of the Czech Republic. In addition to the authors of this article, there are other participants in the projects, namely Z. Čermák, D. Džúrová, E. Janská, D. Čermáková, and A. Baršová. More information on the project is available at: www.geography.cz/illegal.htm.

(employers, employment agencies, and sometimes even the migrants themselves) profit from breaking the law. Conversely, those who do adhere to the law, pay the required taxes and insurance, and act in accordance with the regulations (employers, local citizens, and legal foreign workers) are at a disadvantage.

At the general level, illegal migration and irregular activities carried out by migrants are accompanied by a number of risks, which are tied not only to the migrant, but also to the migrant's "new" environment (destination country), the environment through which the migrant traveled (transit country), and even to the environment the migrant left (source country) [e.g., de Tapia 2003]. These risks are diverse in nature.

At the individual level, as far as the migrant is concerned, psychological risks are at play, specifically stress ensuing from the migration process and integration (or possibly non-integration), including breaking existing social ties, living in a new cultural and social environment, etc. Illegal migrants often struggle with stress caused by the "illegal" nature of their arrival, residence, or work, fear of being caught, and the possible subsequent penalties. Overall, it is a situation wherein the migrant lives in a state of permanent uncertainty and, often, even danger. "Psychological" risks also exist at the local, regional, and macrosocial levels, when migration (legal or illegal) can cause anti-migrant feelings within the majority of society.

From the perspective of economic risks as they relate to migrants as individuals, it is necessary to emphasize, especially in the case of irregular economic activities, the frequent discrimination that occurs on the part of the employer or employment agent. This is reflected in, amongst other things, lower wages, longer work periods, unstable employment, and the overall level of subordination that exists in relation to the employer/employment agent. Irregular activities carried out by migrants lead to the deformation of the labor market in destination countries (the quality of working conditions decreases; non-payment of taxes and other deductions gives companies that employ illegal workers an advantage, etc.). If reliance on cheap foreign labor reaches an above-average level, there exists a real threat that certain branches will become "unhealthily" dependent on foreign workers as well as the danger that structural changes required for desirable economic development will be delayed.

Illegal migration also introduces risks within the social sphere. Quite often, in close relation to legally resident migrants, enclosed migrant enclaves might be established which might be socially marginalized and offer no perspective for improving living conditions and integration within the majority population. The existence of such communities can subsequently be linked to anti-state activities, including terrorism. Just the migration process itself, and especially illegal migration, can be linked with other factors that threaten the safety of target countries (minor crimes, counterfeit documents, organized crime, human smuggling, counterfeit consumer goods, weapons, drugs, nuclear materials, and others). Overall open tolerance of illegal migration also deforms the ethical and moral codes of the receiving society.

On the other hand,, it cannot be overlooked that illegal economic activities carried out by migrants also bring a number of positive benefits – not only for the migrants, but also for their countries of origin (through remittances) and the destination country, primarily for the employer and gross national product [Tapinos 1999].

Specifically the economic activities carried out by migrants, which are not in compliance with applicable laws and to which Czech expert literature has thus far not devoted too much attention, are the subject of this article. We will define their types, causes, and structure, as well as their impacts on the Czech economy. At the same time, some possible approaches to limiting their existence will be outlined.

As the activities in question are in conflict with the law, the options available for researching these issues, especially quantitative methods, are rather limited [e.g., Chiswick

1988, Heckmann 2004, Jandl 2004]. For this reason, we applied the qualitative Delphi method, which is based on investigating the opinions and approaches of selected experts in relation to the phenomenon in question. This Delphi study is only one of the several research activities used within the project titled: “International Migration and Migrants’ Illegal/Irregular Activities: The Czech Republic in a Broader European Context”.

For the purpose of this article, we use the term – “irregular economic activities” – for those activities carried out by migrants in conflict with the law. We distinguish two basic types of migrants’ irregular activities – those that are completely illegal and those that are quasi-legal. This division is dependent on whether the migrant performing the irregular activities possesses a work/business permit in the Czech Republic (quasi-legal activities) or does not have any such permit (illegal activities). From the *de iure* perspective, both types of activities are illegal. However, when considered *de facto*, specifically on the basis of the migrant’s “level of guilt”, there is a significant difference. The fact that there are a number of factual differences within the framework of migrant illegality/irregularity is also confirmed by Tapinos [1999], who, however, uses not only the ownership of a work permit but also the manner in which the destination state is entered and the ownership of a residence permit as the criteria for further differentiation within the illegal/irregular status.

Migrants’ irregular economic activities are closely linked with the phenomenon of illegal migration, as these activities are very often carried out by illegal migrants (those without a residence permit), i.e. “*clandestine*”, “*undocumented*”, or “*unauthorized*” migrants.² At the turn of the millennia, illegal migration is considered to be the fastest growing component of migration overall. It is estimated that illegal migrants make up 15 – 20 % of the world migrant population, so to say thirty to forty million persons. The largest number of illegal migrants (approximately eleven million individuals) resides currently in the United States (US) [Papademetriou 2005]. As compared to the US, estimates on the number of illegal migrants residing in the European Union (EU) cannot be based on census results. EU estimates are based on various methods and resources and range from two million [Global Migration Perspectives 2005 cited by the European Commission in 2007] up to eight million [United Nations Trends in Total Migrant Stock: The 2003 Revision cited by the European Commission in 2007]. The largest number of illegal migrants can be found in the Southern European Mediterranean countries [Papademetriou 2005]. Information on illegal migrants in the Czech Republic has thus by far been sporadic. Individual estimates have more a character of “guesstimates” and range between forty thousand and three hundred thousand individuals, in relation to the definition of an “illegal migrant” and the “method” used [Drbohlav 2003, Intermundia 2005, Fassmann 2006]. The Ministry of Labor and Social Affairs of the Czech Republic estimates the number of illegal migrants working in the Czech Republic to be comparable to the number of economically active legal migrants.³

A somewhat quantitatively different view of the issues of illegal migration is reflected in the statistics collected by the Ministry of the Interior of the Czech Republic. This authority defines illegal migration as consisting of the illegal entry of persons across the state border, unauthorized departure from the country, and violations of residency laws.⁴ In 2006, 11,488 incidents of illegal migration were discovered on the territory of the Czech Republic. Of this

² These are terms that do not have a clarified definition. Their use varies between different fields, countries, and languages [e.g. de Tapia 2003].

³ E.g., refer to the speech given by Minister Nečas at the conference on the Demographic Development in the European Union and Czech Republic: Threat? Challenge? Opportunity?, Parliamentary Senate of the Czech Republic, May 9, 2007.

⁴ Violation of residency laws pertains to persons who illegally enter the Czech Republic and then illegally reside in the Czech Republic, or those who enter legally but do not depart from the Czech Republic when the permitted residence period expires [Ministry of the Interior of the Czech Republic 2007].

number, 62% consisted of cases wherein residency laws had been violated [Ministerstvo vnitra České republiky 2007].

Although both illegal migration and irregular economic activities carried out by migrants are a quantitatively and qualitatively significant phenomenon in today's world, very little attention is devoted to these topics at the theoretical level [with the exception of such studies as Portes 1978; Ghosh 1998; Tapinos 1999].

It is necessary to consider irregular economic activities carried out by migrants as a component of a country's "grey economy", not as the cause of it. At the same time, the informal economic sector is considered to be a structural component of developed capitalist economic systems. In addition, it can be expected that in those countries where an informal economic system is widely tolerated by society, the likelihood of the informal employment of migrants is also higher [Williams, Windebank 1998 cited by Baldwin-Edwards 2006, Palidda 2005, and Tapinos 1999].

2. Methodology

This Delphi method research project was established on the knowledge and opinions of Czech experts in the field of migration issues. Our goal was not only to obtain expert opinions from the professionals we addressed and an evaluation of the current situation of illegal migration and irregular economic activities carried out by migrants in the Czech Republic, but also to acquire a basic idea of how they might develop in the future. Our research also did not omit defining goals and measures that could be implemented at both the national and European level in order to eliminate illegal migration and irregular economic activities on the part of migrants. Using the Delphi method specifically allowed us to research a range of topics as diverse as this.

When considered at a broader level, this interactive research technique can be characterized as a structured group communication process that allows certain disadvantageous characteristics of group communication to be eliminated⁵ and will, at the same time, emphasize the benefits of group communication⁶ [Linstone, Turoff 1975, Martino 1972].

More specifically, the Delphi method can be described as a method of collecting expert opinions through a series of distributed questionnaires⁷ interspersed with controlled opinion feedback for individual rounds of the study [Linstone, Turoff 1975, Martino 1972, Drbohlav 1995]. The main characteristics of the Delphi method thus include the anonymity of the experts (panelists) and multiple rounds with feedback to the preceding rounds, which allows the panelists to confront any dissenting opinions indirectly and also to change their opinion should they feel it necessary [Martino 1972, Masser, Foley 1987].

The Delphi method was first used at the beginning of the 1950s at the American RAND think-tank as a tool for military strategic forecasting [Linstone, Turoff 1975]. Since that time however, the Delphi technique has recorded rapid internal development. As a result, not only the scope in which it can be applied has been expanded but it is significantly differentiated internally as well. Today, there are two major types of the Delphi technique. The classical form, or "Conventional Delphi", adds a third characteristic to the two general ones (i.e. anonymity and controlled feedback) and that is a statistical presentation of the answers. The opinions of the panelists can be represented by a number of statistical indicators

⁵ For example, the Delphi method allows the suppression of the influence exerted by a dominant personality, the pressures exerted by a group on its members, or the influence of the same prejudices and subjectivity stemming from belonging to the same culture [Drbohlav 1995, Martino 1972].

⁶ One of the advantages of a group is the fact that the total quantity of information available to the group is greater than the amount of information held by its individual members [Martino 1972].

⁷ A technique of in-depth interviews can be used as a flexible alternative to questionnaires [Gordon 1994].

(e.g., mean, standard deviation, median) and not only on the basis of the majority opinion. This form of Delphi is used primarily for forecasting future development on the basis of a consensus reached amongst experts [Martino 1972, Gordon 1994, Drbohlav 1995]. In comparison, the objective of the second type of Delphi so called “Policy Delphi”, is not to reach a consensus, but rather to analyze a policy problem and to find possible solutions while still respecting the basic characteristics of the method [e.g., Turoff 1975, Martino 1972, Turroff, Hiltz 1996]. Systematic evaluation of importance, necessity, or feasibility of the proposed measures is often used within this type of the Delphi method [Turoff 1975]. Due to the diversity of the topics of our study, we used both forms of the Delphi method.

When describing the characteristics of the Delphi method, it is important to stress the fundamental role of the experts, although there has not been set any specific count of experts required for a standard Delphi research and usually, their number is not high. According to Gordon [1994], most of the accomplished Delphi studies used fifteen to thirty-five panelists. Diversity is an important characteristic of the panel. Generally, the panel should reflect a broad range of experience and a variety of opinions on the topic under investigation [Masser, Foley 1987, Martino 1972, Drbohlav 1995].

It is this (arbitrary) selection of experts, together with the structure and the evaluation of the questionnaires that are considered to be the most vulnerable and thus the most often criticized components of Delphi research [Linstone 1975, Martino 1972]. Furthermore, the Delphi method as a whole also has its critics (i.e., existential criticism - Sackman 1975, Rowe, Wright 1999). They primarily point out that there is an insufficient retrospective analysis of results obtained via the Delphi method. Nevertheless, it is necessary to bear in mind that a number of Delphi research studies were performed for the purpose of making long-term forecasts, and thus their validity has not yet been proved.⁸

As has been mentioned, during its early days the Delphi method was used for military strategic forecasting. Today however, we can find Delphi studies being performed for technological planning purposes - e.g., in the field of telecommunications [Wright 1998]; energy industry [Wehnert et al. 2007], and nanotechnology [Salamanca-Buentello et al. 2005], as well as in social and environmental fields. Within the latter two areas, the Delphi method has been applied to transportation issues [Cavalli-Sforza, Ortolano 1984]; healthcare [Hudak et al. 1993]; education [Wicklein 1993]; housing [Mullins 2006]; climate changes [Wilenius, Tirkkonen 1997]; and future societal development [Bundesministerium für Wissenschaft und Verkehr 1998]. The original application of the Delphi method for forecasting and planning was thus expanded to studies pertaining to complex problems influenced by numerous interlinked factors and to topics lacking appropriate background data [Rowe, Wright 1999, Martino 1972]. The issues pertaining to international migration, and especially irregular economic activities carried out by migrants, are thus a very appropriate area for a Delphi study [Drbohlav 1995, Bijak 2006, Kupiszewski 2002].

In spite of this fact, the Delphi method is still not a standard tool for a migration research. As far as we know, only a few projects in this field of social science were carried out using the Delphi method. In the US, a Delphi study focused on immigration and its impact on American cities was completed [Loveless et al. 1996]. Within the European environment, a project concerned with the future development of migration between Eastern and Western Europe was completed at the beginning of the 1990s [Drbohlav 1995, 1997]. Furthermore, a sort of a follow-up study was later performed, which also included a comparison between the original forecasts and real development. Significant correspondence between the forecasts and reality has thus been confirmed [Lachmanová 2003, Lachmanová, Drbohlav 2004].

⁸ From our own research, we can however confirm a fairly satisfactory correspondence between short-term predictions and actuality [Lachmanová 2003].

Within the area of illegal migration, the gfs.bern Research Institute performed a Delphi study in order to estimate the number of illegal migrants living in Switzerland and to describe their sociodemographic structure and living conditions [gfs.bern 2005]. Although thematically close to our research, this study differed from ours in a number of methodological and contextual aspects. On the other hand, the Delphi study titled “Migration und Irreguläre Beschäftigung in Österreich” (*“Migration and Irregular Employment in Austria”*) [Bilger et al. 2006] displays many common methodological characteristics as it was prepared in close cooperation with our Czech team when preparing the project “International Migration and Migrants’ Illegal/Irregular Economic Activities in the Czech Republic in a Broader European Context”. It can thus be said that the Delphi method is an innovative cognitive tool for international research, especially in the field of illegal migration.

3. Goals, Research Questions, and Research Design

The goal of our research was to expand knowledge of the phenomenon of migrants’ irregular economic activities and of illegal migration. The following research questions have been addressed:

- (1) What forms of irregular economic activities occur amongst migrants in the Czech Republic?
- (2) What are the reasons behind these activities in the Czech Republic?
- (3) What is the structure of illegal migrants in the Czech Republic?
- (4) How many illegal migrants reside in the Czech Republic?
- (5) What might be the future development of migrants’ illegal economic activities in the Czech Republic?
- (6) What are the impacts of irregular economic activities carried out by migrants?
- (7) What measures should be taken in order to limit the scope of illegal migration and migrants’ irregular economic activities?

In order to collect the answers to the above-specified research questions, we prepared two rounds of a questionnaire survey. Each questionnaire contained the following definitions for illegal and quasi-legal economic activities in order to unify the terminology used for the purposes of the research:

Illegal economic activities carried out by migrants are understood to be situations wherein a migrant does not have the appropriate residence permit and work/business permit, or has a valid residence permit (e.g., tourist visa) but is working illegally (does not have a work permit or a trade licence).

Quasi-legal economic activities carried out by migrants are understood to be situations wherein a migrant has a valid residence permit and a work permit/trade licence, but breaches laws (Labour Act, Trade Licensing Act, etc.) in a severe manner, e.g., works in a different region, branch, profession or for a different employer than permitted; smuggles goods; participates in disguised employment (“Švarc system”), etc.

A Delphi study of illegal migration and migrants’ irregular economic activities was prepared in autumn 2005. The structure and topics of the study were based on a series of thirty interviews with selected Czech migration experts that preceded it. The Delphi research itself consisted of two rounds of questionnaire survey. The questionnaires were distributed via e-mail to the experts that were selected on the basis of their direct knowledge (e.g., working in the nonprofit sector) or intermediated knowledge (e.g., government workers) of issues pertaining to illegal migration and to economic activities on the part of migrants in the Czech Republic.

Sixty-four experts were invited to join in the first round, which took place between November 2005 and February 2006. Of this number, thirty-two participated in the research. Over the course of spring 2006, the first round was evaluated and the second round of

questionnaires was distributed in May to those that participated in the first round. The second round was closed in June with a total of 23 respondents. The return rate for the questionnaires was 50 % for the first round and 72 % for the second. These relatively low values are an accompanying characteristic of Delphi research [Martino 1972, Gordon 1994]. In the case of illegal migration and migrants' irregular economic activities this might be the result of the high complexity of the phenomenon in question and insufficient available information, which is an "inherent" characteristic of this area. In addition, completing the questionnaire, especially in the case of the first round, was very time-demanding process with no money reward.

As is mentioned in the section on methodology, a significant characteristic of every Delphi study is the composition of the panel of experts. The results of Delphi research cannot be considered as statistically significant, but only as a synthetic opinion of the given panel [Gordon 1994]. For our research, the sphere of potential respondents was limited only to Czech experts as the primary topic concerns irregular economic activities of migrants in the Czech Republic. On the basis of our knowledge, we addressed very competent experts, who tackle one or more aspects of the phenomenon of illegal migration and the irregular economic activities of foreigners in an ongoing manner. We tried to build a panel composed of the broadest possible spectrum of experts with various professional background. The panel for the first round included three types of respondents. Type One (N=13) was represented by academics and researchers (primarily specialized in sociology) who are directly involved in researching the issue at hand. Type Two (N=8) consisted of representatives from the most significant nonprofit organizations who are often in direct contact with illegal migrants and thus are very familiar with their living conditions. Type Three (N=6) was made up of state employees from ministries (Ministry of Labor and Social Affairs, Ministry of the Interior, and Ministry of Trade) and migration control authorities. The remaining members of the panel were representatives of international organizations working in the migration field, representatives of the political sphere, and representatives of business and labor associations.

The questionnaire for the first round consisted primarily of open questions which we used to determine the reasons for irregular economic activities carried out by migrants, the impact of these activities on various entities, and goals that should be reached in order to limit the scope of migrants' irregular economic activities in the Czech Republic and the European Union. In order to determine the main forms of migrants' irregular economic activities, we put together a basic list of them and the respondents were asked to supplement this list with additional relevant activity types. Some other questions were presented as multiple choice queries. Overall however, the Delphi questionnaire for the first round was conceived more as a broad platform of topics and the respondents' opinions. On the other hand, the questionnaire for the second round structured the opinions from the preceding round in a more "closed" format. Thus even the questions were more in the form of lists of statements from which the experts selected the most significant ones. The respondents were also asked to review their opinions from the first round and make any changes should they felt necessary. For some of the questions, the panelists also used simple methods to evaluate selected statements. A more detailed description of individual questions is included in the next section of this paper.

4. Delphi Study Results

4.1. Forms of irregular economic activities carried out by migrants in the Czech Republic

During the first round of the Delphi research, the respondents were asked to supplement the list of forms of illegal and quasi-legal economic activities carried out by migrants in the Czech Republic. From all of the replies received within the first round, a list of a total of nineteen, sometimes overlapping, forms of migrants' irregular economic activities

was identified. During the second round, the experts were asked to select the five most frequent activities from the list that occur in the Czech Republic (Table 1).

Table 1: Most frequent forms of illegal and quasi-legal economic activities carried out by migrants in the Czech Republic (Delphi Second Round; N=22)

Forms of migrants' irregular economic activities	Absolute Count
Claiming business activities (having a trade licence) whereas being employed - "disguised employment" (so called "Švarc system")	18
Any form of illegal or quasi-legal economic activity organized by a "client"	18
Violating rules of an acquired visa/permit (this applies to visa for a period exceeding 90 days or long term visa), e.g., change of profession or region, etc.	14
Illegal employment while holding only a tourist visa or after a tourist visa has expired	14
Foreigners establish a legal entity with numerous partners, who then act as employees	10

The type of activity whereby a migrant possesses a residence permit as well as a trade license but, in fact, works for someone else as an employee and is thus not self-employed (i.e., "disguised employment" or in the Czech context so called "Švarc System")⁹ was selected by eighteen experts as one of the most frequent forms of migrants' irregular economic activities. Needless to say, this form of breaching valid legislation is also significantly widespread within the Czech workforce [Horáková, Kux 2003]. The same number of panelists chose as a frequent form such a form of irregular economic activity whereby a migrant performs a job through an intermediary agent, in Czech context known as "client". This type of economic relationship is referred to as a "client system" and it can be briefly characterized as a highly organized network of relationships, which, in addition to numerous auxiliary services (accommodation, transport, financial loans, etc.), ensures the most important thing for foreign workers (both illegal and legal) – i.e., work – in return for financial compensation. The work is usually performed through a sub-contract system for a Czech employer [e.g., Černík 2006, Nekorjak 2006].

In the opinion of the experts, other forms of irregular economic activities carried out by migrants most frequently include: violating rules of an acquired visa/permit (this applies to visa for a period exceeding 90 days or long term visa), e.g., by change of profession or region, as well as working while on a tourist visa or after a tourist visa has expired.¹⁰ Another situation that the experts on our panel considered to be quite frequent is an activity whereby migrants establish a Czech legal entity (co-op) with a number of foreign partners, who subsequently become employed as opposed to performing their own business activities.

On the basis of the expert opinion of our Delphi panel, we can generally characterize migrants' irregular economic activities as being often organized by a client and "partially legalized" by having (in present or in past) a visa or permit, although not fully appropriate for becoming employed. Further, it can be said that the economic activities of migrants who can

⁹ The "Švarc System" has presented a long-term legislative problem as far as definition is concerned (complicated, ambiguous, and changing over time) and is difficult to identify in practice.

¹⁰ A foreigner residing in the Czech Republic on the basis of a tourist visa does not have the right to work.

be considered as “truly illegal” (they never had any type of visa or residence permit, i.e., did not enter the Czech Republic legally), seem to be a quite infrequent type of irregular employment. The legal entry into the country by migrants who later become illegally employed is basically a feature of the majority of developed destination countries [Heckmann 2004, Baldwin-Edwards 2002].

4.2. Reasons for migrants’ irregular economic activities in the Czech Republic

During the first round of the Delphi research, the respondents expressed their opinions with regard to why there are migrants in the Czech Republic who perform illegal or quasi-legal economic activities, the reasons that bring these migrants to the Czech Republic, and why they obtain employment here. The answers to these questions were subsequently analyzed and systematically sorted into a list of reasons. During the second round, the experts evaluated individual reasons according to their significance using a scale of 1 (key reason) to 5 (insignificant reason). The reasons selected as most significant, as well as those that are least significant, are listed in Table 2.

Table 2: Most significant and least significant reasons for migrants’ irregular economic activities in the Czech Republic (Delphi Second Round; N=23)

Most significant reasons	Mean significance
Strong and established lobby of intermediary agents (“clients”)	1.70
High demand for illegal (cheap and flexible) foreign labor, especially for physically demanding work	1.78
The illegal employment (even of Czech citizens) is a fairly widespread phenomenon	1.82
The procedure for obtaining a legal work permit is complicated and burdened by needless bureaucracy	2.00
Strong “push” factors exist in the countries of origin of illegal migrants, which are primarily linked to undeveloped economies and political instability (possibly even to internal conflicts), which force the local citizens to leave for elsewhere, including the Czech Republic	2.29
The Czech Republic does not have an effective “migration administration” regime for temporary labor migration	2.36
Least significant reasons	Mean significance
The Czech Republic is used as a transit country along the way further West	3.52
Labor migration to the Czech Republic is a traditional activity (especially for Ukrainians from the western part of the Ukraine)	3.29

Entering the Czech Republic is very easy	3.00
Cultural and especially language proximity are a strong magnet, mainly for many citizens of Slavic post-communist countries of Central and Eastern Europe	2.95
Uncovered illegal employment is not heavily legally punished by the Czech administration - “gentle legislation”, “low level of punishment and fines”	2.95

Note: The respondents rated the reasons on a scale of 1 (key) to 5 (insignificant).

Table 2 clearly shows that irregular (illegal and quasi-legal) economic activities performed by migrants are linked to strong migration “pull” factors. This primarily involves an established lobby of intermediary agents (clients), a high demand for illegal foreign labor (cheap and flexible, especially for physically demanding work), and the fact that the illegal employment of Czech citizens is a fairly widespread and tolerated phenomenon throughout the entire country. Furthermore, corruption, which is another phenomenon generally disapproved of but nevertheless deeply rooted, also appeared as one of the important explanatory factors. On the other hand, the Czech Republic as a transit country, historical and cultural relationships, relatively easy entry to the country, and the relatively small penalties for breaking the law were considered by the respondents to be unimportant within the given context.

The opinions received from the respondents active in the academic sphere differed from those given by the representatives from the governmental and non-governmental sector, specifically in the fact that the former emphasized the significance of the demand for illegal (cheap and flexible) foreign labor more strongly and decreased the significance of the fact that the Czech Republic serves as a transit point for migrants on their way West.

The high significance of the demand factor corresponds to some common theories of migration (dual market theory, world system theory, neoclassical theory, or the push-pull model). The significance of intermediary agents (clients) is confirmation of the “efficient” functionality of social networks as described in the theory of the same name [Massey et al. 1993]. The role of institutions - especially the governmental migration administration and the intermediary (client) structure - refers to the “organized procedure” of the migrant (illegal) employment process [see institutional theory of migration - Massey et al. 1993].

Correspondance with the above-mentioned theories is also confirmed to a high degree by the similarity between migration processes taking place in the Czech Republic and the actual situation in countries that play a significant role in migration and on which these theories are based.

The tolerance of Czech society towards the phenomenon of illegality and its manifestation on the labor market is also listed as one of the important reasons behind the existence of irregular economic activities. In this respect, the Czech Republic, thanks to its communist heritage, is similar to other countries of Central and Eastern Europe [Renooy et al. 2004]. However, a parallel can also be observed in the situation in Southern Europe, as described by, amongst others, Baldwin-Edwards [2002].

4.3. Basic characteristics of migrants involved in illegal economic activities in the Czech Republic¹¹

One of the fundamental tasks assigned to the respondents was to specify the structure of migrants that are currently involved in illegal economic activities in the Czech Republic. The answers submitted by the panel are summarized in Table 3.

Table 3 presents the results from both the first as well as the second round of the Delphi study. In the second round, the experts were provided with the summarized results from the first round. They thus had the opportunity to review their own positions with regard to the opinions of others concerning the significance of listed source countries. They could change the order of significance of all of the given source countries from the perspective of saturating the Czech Republic with illegal labor migrants, or could re-assess their opinion only on three countries (Russia, Moldavia, and Bulgaria). These three source countries were evaluated very differently in the first round – their standard deviation reached the highest values. Twelve respondents took advantage of the opportunity to re-evaluate their opinions on the sequence of the countries.

Table 3: Country of origin of migrants (according to their citizenship) performing illegal economic activities in the Czech Republic (Delphi First Round; N=24; Delphi Second Round; N=12)

Country of origin of illegal migrants (according to citizenship)	Sequence (Delphi First Round)	Standard deviation (Delphi First Round)	New sequence (Delphi First and Second Round)	New standard deviation (Delphi Second Round)
Ukraine	1	0.20	1	
Vietnam	2	2.16	3	
Moldavia	3	3.08	4	2.43
Russia	4	3.31	2	1.18
Belorussia	5	2.84	5	
<i>Slovakia</i>	<i>6-7</i>	<i>4.89</i>	<i>6-7</i>	
Other countries of the former USSR	6-7	2.81	6-7	
Romania	8-9	2.49	9	
Bulgaria	8-9	3.26	8	2.63
China	10	2.77	10	
Countries of the former Yugoslavia	11	2.77	11	
<i>Poland</i>	<i>12</i>	<i>3.34</i>	<i>12</i>	
Albania	13	2.51	13	
USA	14	2.95	14	
Canada	15	1.50	15	

Note: Slovakia and Poland were both on the original list of evaluated countries. However, as these countries have been members of the EU since 2004, they have a special status (governed by different directives, rules, and practices in relation to immigration) and were excluded

¹¹ Only migrants involved in illegal (not irregular) economic activities were addressed in this section due to easier handling of the issue.

from further evaluation. It is also important to keep in mind that, at the time the research was performed, neither Bulgaria nor Romania were members of the EU.

According to the experts, Ukraine is undoubtedly the most significant source country of illegal labor migrants in the Czech Republic. The uniformity of this opinion, as measured by the standard deviation, is noteworthy. This fact also corresponds to the number of legal migrants, amongst whom the number of Ukrainians is also dominant. At the end of 2006, they made up 32 % (102,594 individuals) of all foreigners who hold legal residency status in the Czech Republic. Ukrainians also made up 68 % (4,853 individuals in 2006) of foreigners who were detained by the Police of the Czech Republic for breaching residency rules [Ministerstvo vnitra České republiky 2007]. Further, the respondents also reached a fairly high consensus in their opinions regarding that Vietnam and some of the countries of the former Soviet Union (specifically, Moldavia, Russia, and Belorussia) are amongst the most significant source countries. On the other hand, Canada, the United States, and Albania are not at all significant in the eyes of the experts within the given context. Bulgaria and Romania are somewhere in the middle between these two polarized groups. It is worth mentioning that the reevaluation of the sequence of the countries that took place during the second round of the Delphi research more or less confirmed the original results from the first round (in an even more coherent pattern), whereby Russia strengthened its position as a source country – it moved from fourth place to second.

During the first round, the experts also had the task of identifying regions of the Czech Republic that probably have the highest concentration of migrants involved in illegal economic activities and identifying the citizenship of the illegal migrants in the applicable regions. Prague and the neighboring Central Bohemian Region far outweighed other areas. They were mentioned a total of seventy-eight times.¹² The other regions that were mentioned most often include: Karlovy Vary (19), Ústí nad Labem (16), Jihomoravský (11), Moravskoslezský (with the explicitly specified city of Ostrava – 11), and Plzeňský (8). Although it is obvious that the territorial specification of migrants’ illegal economic activities presented the experts with significant difficulties, certain trends could be indicated. Russians were localized in Prague and the Karlovy Vary Region; Vietnamese in Prague and the Czech-German border areas (the south, west, and north of the Czech Republic); according to the experts, Ukrainians are, following Prague, most often in the Central Bohemian Region but are also active in many other areas of the Czech Republic.

Many of the regions in which significant illegal economic activity on the part of migrants was identified also have a high rate of legally employed foreigners [e.g., Czech Český statistický úřad 2006] and also contain the largest Czech cities, from the perspective of both population as well as importance. This relationship between the territorial distribution of legal and illegal migrants has been confirmed in other countries [Jandl, Kraler 2006, de Tapia 2003].

The respondents were also asked to identify the main sectors or areas of the economy in which illegal economic migrants in the Czech Republic are active most often. The results specify a fairly wide range of diverse sectors and areas of the economy (refer to Table 4).

Table 4: Illegal economic migrants and the sectors/areas of the Czech economy in which they are active (Delphi First Round, N=24)

Illegal economic migrants according to source country (citizenship)	Economic sectors/areas
---	------------------------

¹² The respondents had the option of assigning any of the Czech Republic’s fourteen regions to each of the migration groups, as defined by citizenship, in relation to their opinion on how frequently the applicable group of illegal migrants is active in the region

Ukraine	construction, auxiliary work, cleaning, agriculture and forestry, hospitality and accommodation services, industry
Vietnam	retail, hospitality industry, services
Moldavia	construction, agriculture and forestry
Russia	construction, services, sales, hospitality industry, information technology
Belorussia	construction, agriculture, services, healthcare
Romania	construction, hospitality and accommodation services, forestry
Bulgaria	construction, industry, agriculture, sales
China	wholesale, hospitality industry
Countries of the former Yugoslavia	construction, hospitality industry, agriculture and forestry, sales and services
Albania	hospitality and accommodation services, construction, goldsmith

Note: The sequence of sectors (areas of the economy) does not indicate the significance of the specified activities.

In contrast to the manual types of labor that are performed by the above-specified groups of migrants (with Russia being the only exception), according to the experts Americans and Canadians are, in addition to services (hospitality industry), also illegally involved in more intellectually demanding activities, primarily translating and English teaching.

The respondents also estimated the possible overall sectoral structure of illegal economic activities carried out by migrants (Table 5).

Table 5: Sectoral structure of illegal economic activities carried out by migrants (Delphi Round Two, N=20)

Economic Sector	Mean share of illegal migrants active in the sector (in %)
Construction	41
Hospitality and accommodation services	13
Home services (cleaning, care provision, etc.)	12
Agriculture	11
Wholesale/Retail	11
Textile industry	9
Food processing industry	8

Note: 100% should represent the total number of all illegally economically active migrants in the Czech Republic. However, the values for individual shares are the mean values for the sector in question and thus the total does not add up to 100 %.

The estimated employment structure more or less confirms what has already been indicated in relation to the activities of individual migration groups (see above). Construction was indicated as the most significant area in which the illegal foreign workforce is active. The next most significant sectors, amongst which there is not as much of a difference in the frequency of occurrence, are: hospitality and accommodation services; home services (cleaning, care provision, etc.); agriculture; and wholesale/retail. These are followed by the

less emphasized textile and food processing industries. All these sectors have common characteristics, i.e., low wages, high demands on worker flexibility and a low level of attractiveness for the domestic workforce, and are traditional employers of illegal migrants in other countries that attract migration [de Tapia 2003, Castles, Miller 2003].

4.4. Estimated number of illegally economically active migrants in the Czech Republic¹³

During the first round of the Delphi research, the respondents were asked to estimate the likely number of migrants who are involved in illegal economic activities in the Czech Republic. In spite of the fact that we were fully aware of the difficulties involved in making such an estimate, we offered the experts a list of options in the form of ranges, from which they could select the most likely option. The results (Table 6) show that the experts differ in their estimates to quite a significant degree. While one-third estimated the count to be between 40,000 and 99,999 individuals, approximately one-fifth believes that the number exceeds 200,000 individuals. There is thus no consensus in the eyes of the experts when it comes to this sensitive question. Estimating the number and flow of illegal migrants is a generally complex and ambiguous problem overall [Jandl 2004; de Tapia 2003].

Table 6: Estimated number of illegally economically active migrants in the Czech Republic (Delphi First Round, N=27)

Estimated number of illegally economically active migrants in the Czech Republic (count)	Respondents' answers (in %)
Less than 39,999	11
40,000-99,999	33
100,000-149,999	19
150,000 – 199,999	19
More than 200,000	19

4.5. Future development of migrants' illegal economic activities in the Czech Republic¹⁴

Given that the Delphi method is considered to be an appropriate tool for forecasting future development [Linstone, Turoff 1975, Martino 1972, Bijak 2006], our study also included questions pertaining to the future development in the volume of illegal economic activities conducted by migrants in the Czech Republic. In the questionnaire for the first round of the research, our panel of experts was requested to describe the most likely trends for the development of illegal economic activities on the part of migrants in the Czech Republic during the period 2006-2010¹⁵ by selecting one of the offered options (significant decrease, decrease, stabilization, increase, or significant increase). During the second round, they were asked to submit arguments supporting their choice.

Twenty-six respondents submitted their predictions for development trends during the first round, but there was a high degree of variance in their replies. It is therefore impossible to speak of a clear tendency for the future. The experts only believe that the development might be gradual and thus there shouldn't be a significant decrease or increase. Almost 40 % of the respondents (N=10) characterized the future development as stabilization of the current volume. The majority reasoned that the socioeconomic and legislative *status quo* will be

¹³ Only migrants involved in illegal (not irregular) economic activities were addressed in this section due to easier handling of this complex issue.

¹⁴ Only migrants involved in illegal (not irregular) economic activities were addressed in this section due to easier handling of this complex issue.

¹⁵ The research was performed during the 2005-2006 timeframe, and thus the first year for the future projections was designated as 2006.

maintained both in the source countries as well as in the Czech Republic. Two of the respondents were an exception, whereby they believe that the Czech economy will grow significantly and, together with it, the demand for an illegal foreign workforce will increase. However, in their opinion, there will not be an overall increase in the number of illegally economically active migrants in the Czech Republic, as stricter laws will be imposed along with stronger controls of the workforce. The end result will thus again be stabilization of the current volume.

Another 27 % of the respondents used the same argument (i.e., the growth of the Czech economy), however they anticipate an increasing trend in the volume of illegally economically active migrants in the Czech Republic during the 2006-2010 timeframe. One-third of the respondents predict that there will be a decreasing trend. The latter group based their opinions primarily on the fact that stricter rules and sanctions will be implemented throughout the entire EU and that there will be internal changes implemented within the Czech economic system (e.g., tax reforms) which will decrease the demand for illegal foreign workforce.

An interesting aspect of the forecasts that were made is the fact that the experts from the academic and research sphere are highly dominant in the group of respondents who predict an increasing volume as compared to the other categories of respondents. It is however impossible to speculate whether their estimates are based on a more realistic view of the government's ability to regulate illegal labor migration.

4.6. Future development of migrants' illegal economic activities within selected sectors of the Czech economy

In addition to the overall development in the volume of illegally economically active migrants, during the second round of the Delphi research we were also interested in obtaining estimates for the development in certain economic sectors during the 2006-2010 timeframe (Table 7).

Table 7: Future development of migrants' illegal economic activities within selected sectors of the Czech economy during the 2006-2010 timeframe (Delphi Second Round, N=22)

Economic sector	Decrease (in %)	Stabilization no change (in %)	Increase (in %)
Construction	23	50	27
Agriculture	19	48	33
Hospitality and accommodation services	5	54	41
Home services (cleaning, care provision, etc.)	0	33	67
Industry	33	33	33

Note: The respondents had to select one of the possible development trends for each row.

The majority of experts anticipate a significant increase in the number of illegal migrants involved in the home services sector (cleaning, care provision, etc.). They expect stabilizing or increasing trends for the hospitality and accommodation services sector as well as for agriculture. As far as industry is concerned, no significant changes in either direction are expected. In the case of construction, which is the most significant sector from the perspective of the population under investigation, one half of the experts forecast stabilization

while the other half is fairly equally divided between those who expect an increasing trend and those who expect a decreasing trend.

The future anticipated growth in the home services sector can be interpreted as the logical consequence of the current and future intensifying process of the ageing of the European population. A typical example of the relationship between ageing (and its consequences) and migration is neighboring Austria, where there is already a great demand and a corresponding rapid increase in the growth of international migrants, primarily women, into this sector [Bilger et al. 2006].

4.7. Impact of irregular economic activities carried out by migrants in the Czech Republic

In the first round of the Delphi research, the experts (N=26) generally evaluated the overall impacts of irregular economic activities on the Czech economy, employers, and domestic employees (on a scale ranging from very negative to very positive). Within the evaluation of the impact of migrants' irregular economic activities on the Czech economy, a negative perspective of the issues at hand (54% of the experts expressed a negative opinion)¹⁶ outweighed the possibly positive perspective (only 23% of the experts predict an overall positive impact)¹⁷. A significantly negative impact on the Czech domestic workforce is predicted overall for the irregular economic activities of migrants (50% of the respondents replied negatively as compared to 12% positively and 38% neutrally). On the other hand, the impact of the phenomenon in question on employers (the subcategory of those who already take advantage of the cheap illegal and/or quasi-legal foreign workforce) was evaluated by the experts to be fairly positive (73% positive replies).

During the first round of the Delphi research, the respondents were also asked to briefly characterize the main impacts (positive as well as negative) of migrants' irregular economic activities on the Czech Republic as whole. During the second round, they were then asked to select the five most significant positive impacts and the five most negative impacts from the list that was created on the basis of the replies received during the first round.

Filling unappealing and low-paid work positions, a cheap and flexible workforce, and the development of certain economic entities and branches were selected as positive impacts most often (Table 8). On the other hand, the experts selected tax evasion and unfavorable working conditions for illegal foreigners (including salary discrimination) as the most significant negative impacts (Table 8).

Table 8: Most significant positive and negative impacts of migrants' irregular economic activities on the Czech Republic as a destination country (Delphi Second Round, N=22)

Most significant positive impacts	Absolute number
Filling unappealing and low-paid work positions	18
Cheap and flexible workforce contributing to economic development	16
Development of certain economic entities and branches (e.g., construction)	15
Individual households benefit from the presence of illegal workers (cheaper home services, construction, reconstruction, etc.)	12
The prices of some services and economic	10

¹⁶ Within this context, the term "negative" combines the categories of "very negative" and "negative".

¹⁷ Within this context, the term "positive" combines the categories of "very positive" and "positive".

services decrease	
Increased competitiveness amongst employers who take advantage of illegal employment	9
Most significant negative impacts	Absolute number
Tax evasion	14
Unfavorable working conditions for illegal foreigners (including salary discrimination)	14
Growth of the “grey economy”	11
Unfavorable working conditions will extend to legal employees (foreign as well as Czech)	10
Tolerance of Czech society for breaching the law (including accepting illegal employment)	9
Damage to the business environment – unfair competitive advantages ensuing from employing illegal migrants	8

4.8. Goals and measures for limiting the irregular economic activities of migrants in the Czech Republic

We also researched the topic of illegal and quasi-legal economic activities on the part of migrants from the policy perspective using the “Policy Delphi” approach. During the first round, we asked the experts to propose the five most important goals and/or measure that should be implemented in the near future in order to decrease the scope of irregular economic activities carried out by migrants in the Czech Republic. On the basis of these proposals, we prepared a list of forty-seven goals/measures for the second round, which the respondents were to rate on the basis of their desirability (on a scale from 1 = very desirable to 5 = very undesirable) and their feasibility (on a scale from 1 = very feasible to 5 = very unfeasible). A total of twenty-three respondents evaluated the goals in this manner during the second round. We then calculated the mean level of desirability and feasibility for each individual goal.

The experiences we acquired from our previous Delphi studies [Lachmanová, Drbohlav 2004] indicate that goals/measures which are evaluated as being the most desirable are also those that are often considered to be difficult to implement. During this research study however, this tendency was not confirmed. The experts evaluated only a few of the most required goals as being difficult to implement. The exception to this rule was primarily the measure that was evaluated as being the most desirable out of all proposed, specifically an “*uncompromising battle against corruption within the ranks of the Police of the Czech Republic*”. This measure’s mean level of desirability was 1.35; however the level of its feasibility attained a mean value of 3.17.

Table 9 specifies the goals/measures that were evaluated as being the most necessary. These goals/measures pertain primarily to four thematic spheres. The first is to improve the conditions for legally employed migrants. Increasing the flexibility of work permits, easier acquisition of these permits, and creating a more transparent and “more accommodating” environment for granting residence and work permits were all included amongst the recommendations. The proposals pertaining to legal migration channels included the following: “*unifying the administrative procedures for residence permits and work permits*” and “*creating more coherent immigration policies*”, which was also however evaluated as being difficult to implement (the mean level of feasibility attained a level of 3.09).

The next group of highly desirable goals pertains to the distribution of information on migration issues amongst potential migrants and those that are already present, e.g., “*increase the level of information on the possibilities, procedures, and advantages of legal employment*”

provided to foreigners both in their countries of origin as well as in the Czech Republic”; “perfect the information system on legal employment migration (available work positions, the ability to submit CVs, ...”, and “information and support programs for migrants who would like to escape the illegal or quasi-legal environment”.

Within the framework of finding solutions to the problems related to the illegal and quasi-legal economic activities of migrants, the experts recommended measures pertaining to the control and sanction mechanisms in place for this phenomenon, e.g., *“improving cooperation between individual institutions that control the illegal employment and residence of foreigners”*. Controls and sanctions should be in place not only for (as a rule Czech) employers, but also for employment agencies, and intermediary agents (clients).

The fourth topic that appeared amongst the most required proposed measures was the simplification of deductions (tax, social security, etc.) that employers are required to make for employees, which would generally be advantageous for legal employment.

Table 9: Most desirable goals/measures in order to limit migrants’ irregular economic activities in the Czech Republic (Delphi Second Round, N=23)

Goal/Measure	Mean level of desirability	Mean level of feasibility
Uncompromising battle against corruption within the ranks of the Police of the Czech Republic	1.35	3.17
Increase the level of information on the possibilities, procedures, and advantages of legal employment provided to foreigners both in their countries of origin as well as in the Czech Republic	1.52	1.87
Increase the flexibility of work permits for foreigners in certain areas (e.g., provide the ability to change employers for performing the same occupation without having to apply for a new permit, protective period in the event employment is lost, etc.)	1.57	2.09
Perfect the information system on legal employment migration (available work positions, the ability to submit CVs, ...)	1.57	1.91
Greater protection for witnesses in court proceedings pertaining to human trafficking	1.57	2.22
A more transparent and “more accommodating” environment for granting residence and work permits	1.61	2.78
Creating more coherent immigration policies	1.61	3.09
Simplifying and speeding up the process for the legal employment of foreigners	1.65	2.35
Effective control and sanctions system for employers of illegal migrants (including “clients”)	1.65	2.87

Information and support programs for migrants who would like to escape the illegal or quasi-legal environment	1.70	2.48
Improving cooperation between individual institutions that control the illegal employment and residence of foreigners	1.70	2.70
Unifying the administrative procedures for residence permits and work permits	1.78	2.48
Acquire control over the activities of intermediary agencies	1.78	3.43
Simplify tax regulations and the regulations in place for social security deductions	1.78	2.74
Decrease deductions and the tax burden in order to ensure that legal employment is more advantageous for employers	1.78	2.91

On the basis of the evaluations performed by the experts, we can also select goals/measures that could be applied in practice. These are goals/measures that were evaluated as very desirable as well as feasible. They could thus significantly contribute towards eliminating irregular activities carried out by migrants and their implementation is possible at the current time (Table 10).

Table 10: Goals/measures for limiting migrants' illegal economic activities that can be applied in practice (Delphi Second Round, N=23)

Goal/Measure	Mean level of desirability	Mean level of feasibility
Increase the level of information on the possibilities, procedures, and advantages of legal employment provided to foreigners both in their countries of origin as well as in the Czech Republic	1.52	1.87
Perfect the information system on legal employment migration (available work positions, the ability to submit CVs, ...)	1.57	1.91
Increase the flexibility of work permits for foreigners in certain areas (e.g., provide the ability to change employers for performing the same occupation without having to apply for a new permit, protective period in the event employment is lost, etc.)	1.57	2.09
Greater protection for witnesses in court proceedings pertaining to human trafficking	1.57	2.22
Simplifying and speeding up the process for the legal employment of foreigners	1.65	2.35
Unifying the administrative procedures for residence permits and work permits	1.78	2.48

Acquire the cooperation of governmental and nongovernmental organizations in source countries for the purpose of distributing information on the conditions for legal employment in the Czech Republic	1.83	2.35
--	------	------

On the basis of the replies we received from our respondents, we can thus state that important goals/measures, which should be implemented, should be targeted at supporting the distribution of information on the legal options for employing migrants in the Czech Republic in the source countries in cooperation with local governmental and nongovernmental organizations. In addition, the system in place for issuing work permits should be simplified, better connected with the issuance of residence permits, and, at the same time, the conditions bound to the permits should be relaxed. An increased level of protection should be guaranteed for witnesses participating in proceedings pertaining to human trafficking, which would increase the effectiveness of the battle against human trafficking and the organized crime that is involved.

4.9. Measures at the EU level in order to limit the irregular economic activities carried out by migrants

The problem of illegal migration and irregular economic activities carried out by migrants is an international problem and the scope of its solution significantly exceeds the borders and legal competencies of individual countries. Thus, if we want to resolve the situation in this area within the Czech Republic, it is also necessary to include external institutions in the process, primarily those of the European Union. In addition, the inclusion of the Czech Republic in the Schengen System (December 2007), which, amongst other things, will also result in the free movement of individuals, will increase the significance and the necessity of common, unified measures in the Czech Republic in order to resolve the issues pertaining to the illegal employment of foreigners. For this reason, we also focused at the EU level within the scope of our research.

During the first round of the Delphi research, the experts were asked to recommend several measures that could be implemented at the EU level for resolving the issues related to irregular activities carried out by migrants. The proposals related primarily to the harmonization and simplification of the rules in place within the framework of the EU; controls and sanctions; distribution of information; changes to job market regulation; and stricter security measures. The experts' opinions were synthetically processed and were incorporated in the questionnaire for the second round of the Delphi research in the form of a list of twenty-two recommended measures. Each of the respondents was to select the five measures they consider to be the most significant. Table 11 presents the measures that were selected the most often and can thus be considered as the most significant in the eyes of the panel.

Table 11: Most significant measures recommended for resolving the issues pertaining to migrants' irregular economic activities at the EU level (Delphi Second Round, N=21)

Recommended measure	Absolute count
Greater harmonization within residency and employment regulations for foreigners	12
More effective system of controls and sanctions for employers	11

Simplification of the legislative environment for employing foreigners	10
Simplifying and relaxing the procedures for legally employing workers from third countries	9
Increasing the level of information provided to potential labor migrants	8

On the one hand, measures simplifying legal migration were recommended most often. In the opinion of our panel, the harmonization and simplification of the regulations in place for the legal residence and employment of foreigners (primarily those from third countries) could lead the way towards limiting illegal economic activities on the part of foreigners within the framework of the EU. On the other hand, recommendations that would make the sanction system for illegal employment stricter and more effective, specifically from the perspective of penalizing employers, were also submitted. In addition, the recommendation to increase the level of information distributed amongst possible labor migrants with regard to the legal possibilities for migration and employment should also not be overlooked.

5. Conclusions

The results of the qualitative Delphi research study performed amongst Czech migration experts (N=32 for the first round and N=23 for the second round) during the timeframe of November 2005 through June 2006 provide a number of concrete conclusions in relation to the researched phenomenon, specifically the irregular economic activities of migrants in the Czech Republic.

According to the respondents, one of the most frequently occurring forms of illegal and quasi-legal (or, considered jointly, “irregular”) economic activities on the part of migrants is the “disguised employment” in Czech context referred to as “Švarc system”, whereby a migrant possesses a residence permit and a trade license, but in reality works as someone’s employee. The same significance was assigned to the economic activity whereby migrants perform their (illegal or quasi-legal) job through an intermediary agent, or “client”. Other frequent forms of economic activities carried out by migrants in conflict with the law included: violating rules of an acquired visa/permit (this applies to visa for a period exceeding 90 days or long term visa), , and working while on either a tourist visa or an expired tourist visa.

In examining the reasons why migrants participate in irregular economic activities in the Czech Republic, the tempting “pull” factors were clearly confirmed as playing a significant role. This primarily involves an established lobby of intermediary agents (clients), a high level of demand for a foreign workforce (primarily in the area of physically demanding work), and the fact that the illegal employment of even Czech citizens is a fairly widespread and tolerated phenomenon throughout the entire country.

When defining the basic characteristics of migrants who carry out illegal economic activities in the Czech Republic, it was determined that Ukraine is the most significant source country, followed by Vietnam, and some other countries of the former Soviet Union. As far as the territorial distribution of illegal migrants is concerned, in the opinion of the respondents, Prague and the Central Bohemian Region are the unequivocal leaders, followed by the Karlovy Vary Region and the Ústí nad Labem Region. When asked about the areas in which illegal migrants are probably most active, the respondents provided a fairly wide range of economic sectors and areas: construction, followed by hospitality and accommodation services, home services (cleaning, care provision, etc.), agriculture, and wholesale/retail. The textile and food processing industries were viewed as less important. From the perspective of

the expected future development in the volume of illegally economically active migrants, the majority of the experts predict that there will be an increase in the home services sector.

The estimated number of illegally economically active migrants on the Czech employment market is very heterogeneous. While one third of the experts estimate that the count is between 40,000 and 99,999 individuals, almost one fifth believe that the number exceeds 200,000. The overall estimate for the development of the phenomenon in question for the 2006 to 2010 timeframe is similarly varied.

Filling unappealing and low-paid job positions, a cheap and flexible workforce contributing to economic development, and the development of certain branches (e.g., construction) were listed as the most positive impacts of the irregular economic activities carried out by migrants in the Czech Republic overall. Tax evasion and unfavorable working conditions for illegal foreigners (including salary discrimination) were specified by the experts as the most significant negative impacts.

The most necessary goals/measures that should be implemented in order to limit irregular economic activities carried out by migrants in the Czech Republic include: an *“uncompromising battle against corruption within the ranks of the Police of the Czech Republic”* (in the panel’s opinion, however, the measure is very difficult to implement); goals/measures connected with the level of information available to the concerned parties; more flexibility in the legal migration channels; and more effective control and sanction mechanisms for tracking and penalizing this phenomenon. The most required measures also include the simplification and decrease of deductions businesses have to make for their employees, which would generally make legal employment more advantageous. Similar measures were mentioned by the respondents when it came to making recommendations to help resolve the situation at the EU level. This “double emphasis” on measures connected with simplifying the legislative environment as it pertains to legal employment, increasing the level of information provided to potential migrants, and stricter sanctions only serves to strengthen their significance.

The measures appropriate for implementation into practice in the Czech Republic (i.e., those that were evaluated as being very necessary and, at the same time, fairly feasible) include measures supporting the distribution of information in the Czech Republic and in source countries with regard to the legal options for employing migrants, and measures that would simplify the current system for issuing work permits and the related binding conditions. Guaranteeing a higher level of protection for witnesses in proceedings pertaining to human trafficking are also included in this category of measures that can be applied in practice.

It is also possible to compare the results of this Delphi research in the area of desirable goals/measures with actual Czech migration policy. In spite of the fact that migration and integration policies (and subsequently current practice) as they pertain to certain economic areas (labor market) face many problems in the Czech Republic, as is also the case in many other developed countries, [e.g., Drbohlav, Horáková, Janská 2005, Čaněk, Čížinský 2006] some important steps towards meeting some of the above-specified required goals have already been taken or are in progress (by state authorities, often working in cooperation with the nongovernmental sector and international organizations). These include steps such as the establishment of the Interministry Authority for Battling the Illegal Employment of Foreigners (which has set the fight against “client” system as its main target); the creation of information portals (available on the Internet) and printed materials for foreigners that present the conditions for working and doing business in the Czech Republic, as well as the creation of information centers that perform the same task (especially in Ukraine); and the implementation of the pilot project *“Výběr kvalifikovaných zahraničních pracovníků”* (*„Selecting Qualified Foreign Workers”*). The project preparing for the implementation of

“green cards”, which should provide much simpler and more flexible access to the Czech labor market for foreigners is also underway. Further additional measures are in progress for intensifying the battle against corruption within the ranks of the Police of the Czech Republic.

The overall results of the Delphi research study show that, due to its “mysteriousness” and high level of complexity (numerous varied external conditions and factors), the phenomenon of migrants' irregular economic activities in the Czech Republic, is hard to grasp even for migration experts. Within the framework of this research study, the answers submitted by the panel in reply to important questions pertaining to the estimated number of illegal migrants, their structure, and the future development in this area varied greatly. A more visible consensus dominates only in some areas (see above).

On the other hand, this mosaic of estimates and opinions sufficiently proves that a number of aspects in the field of irregular activities carried out by migrants in the Czech Republic are almost identical to those that are known from other destination. This pertains to the character and effectiveness of the overall environment (labor market segmentation, forms and mechanisms for including the informal economics of migrants into the socioeconomic structure of the destination country)¹⁸ [e.g., Baldwin-Edwards 1999, European Commission 2007, Reyneri 2002, Düvell 2006], as well as to some other individual aspects (refer to the applicable sections above). The indicated concurrence indirectly also appears in the fact that we can, with a certain degree of caution [Arango 2000], explain some aspects of migrants' irregular economic activities in the Czech Republic by applying migration theories/concept that are used in other developed immigration countries [e.g., Massey et al. 1993, 1998].

With regard to the nature of the irregular economic activities of migrants, it is obvious that elimination of this phenomenon is a long-term task with unclear results. The battle against illegal migration and its accompanying phenomena has not yet been won by anyone and it seems it will not be won in the near future either. As Baldwin-Edwards [2006] describes in detail, the informal sector in the postindustrial developed world is gaining in importance. The significance of irregular economic activities carried out by migrants is also confirmed by the fact that, in some western European countries, informal economies (including irregular activities carried out by migrants) are represented to a higher degree in the most developed regions as compared to less developed regions [Williams, Windebank 1998 cited by Baldwin-Edwards 2006]. Many areas of developed economies are also dependent on the informal sector and illegal migration. Long-term unresolved and still continuing mass illegal migration usually in relation to the blossoming informal economies is often “quietly” tolerated by political representations, which again provides evidence that the phenomena in question are structural components of modern capitalism [e.g., Pallidda 2005]. In order to strengthen this thesis, even with regard to emphasizing the difficulty of the battle against illegal migration, we also conclude that there is still an intense and permanent demand for an illegal foreign workforce, specifically from a number of businesses in developed countries who will always be willing to hire this cheap, flexible, and productive workforce in spite of the various risks involved. In addition, the post-communist world must overcome its unfortunate inheritance of the past, which degraded morale and allowed many informal activities to become a generally tolerated reality [e.g., Renooy et al. 2004]. In the future therefore, the Czech Republic will without a doubt continue to be faced with illegal migration and migrants' irregular economic activities. Nevertheless, it must still attempt to eliminate these phenomena.

¹⁸ However, the existing client system seems to be a rather specific form of labor organization among Post-Soviet migrants in the Czech Republic and possibly in other Central European countries. To make more convincing conclusions in this regard it is necessary to investigate the issue in a more detailed way.

References

- Arango, J. 2000. „Explaining Migration: a critical view.“ *International Social Science Journal* 52 (165): 283-296.
- Baldwin-Edwards, M. 1999. „Where Free Markets Reign: Aliens in the Twilight Zone.“ Pp. 1-15 in M. Baldwin-Edwards, J. Arango (eds.). *Immigrants and the Informal Economy in Southern Europe*. London: Frank Cass.
- Baldwin-Edwards, M. 2002. „Semi-reluctant Hosts: Southern Europe's Ambivalent Response to Immigration.“ *Studi Emigrazione* 39 (145): 27-48.
- Baldwin-Edwards, M. 2006. „Illegal Migration: A Theoretical and Historical Approach.“ (manuscript).
- Bijak, J. 2006. „Forecasting International Migration: Selected Theories, Models, and Methods.“ *CEFMR Working Paper 4* [online] [cit. 3.11.2006]. Available from: <http://www.cefmr.pan.pl/docs/cefmr_wp_2006-04.pdf>.
- Bilger, V., S. Gendera, C. Hollomey, M. Jandl, A. Stepien. 2006. *Migration und Irreguläre Beschäftigung in Österreich: Ergebnisse einer Delphi-Studie*. Vienna: International Centre for Migration Policy Development.
- Bundesministerium für Wissenschaft und Verkehr. 1998. *Delphi Report Austria*. [online] [cit. 3.7.2007]. Available from: <http://archiv.bmbwk.gv.at/forschung/materialien/delphi/Delphi_Report_Austria4227.xml>.
- Castles, S., M. J. Miller. 2003. *The Age of Migration: International Population Movements in the Modern World*. London: Palgrave Macmillan.
- Cavalli-Sforza, V., L. Ortolano. 1984. „Delphi Forecasts of Land Use: Transportation Interactions.“ *Journal of Transportation Engineering* 110 (3): 324-339.
- Čaněk, M., P. Čížinský. 2006. „Migration Policies and Institutional Setting in the Czech Republic.“ Paper presented at the conference *The Making of Migratory Policies in Europe*. Turin, 19. 5. 2006.
- Černík, J. 2006. „Of Clients and Chereps. The Organisational Structures of Ukrainian Labour Migration.“ Pp. 25-29 in A. Szczepaniková, M. Čaněk, J. Grill (eds.). *Migration Processes in Central and Eastern Europe: Unpacking the Diversity*. Praha: Multikulturní centrum Praha.
- Český statistický úřad (Czech Statistical Office). 2006. *Cizinci v regionech 2006 (Foreigners in the Regions 2006)*. Praha: Český statistický úřad.
- Český statistický úřad (Czech Statistical Office). 2007. „Cizinci v ČR - Ekonomická aktivita.“ (*Foreigners in the Czech Republic – Economic activity*) [online] [cit. 15.7.2007]. Dostupné z: <http://www.czso.cz/csu/cizinci.nsf/kapitola/ciz_ekonomicka_aktivita>.
- de Tapia, S. 2003. *New Patterns of Irregular Migration in Europe*. Strasbourg: Council of Europe.
- Drbohlav, D. 1995. „Pravděpodobný vývoj evropské mezinárodní migrace Východ-Západ.“ (*Probable Development of the European East-West International Migration*). *Geografie – Sborník ČGS* 100 (2): 92-106.
- Drbohlav, D. 1997. „Migration Policy Objectives for European East – West International Migration.“ *International Migration* 35 (1): 85-108.
- Drbohlav, D. 2003. „Immigration and the Czech Republic (with a Special Focus on the Foreign Labour Force).“ *International Migration Review* 37 (1): 194-224.
- Drbohlav, D., M. Horáková, E. Janská. 2005. „The Czech Republic.“ Pp. 65-99 in J. Niessen, Y. Schibel, C. Thompson (eds.). *Current Immigration Debates in Europe. A Publication of the European Migration Dialogue*. Brussels: Migration Policy Group.

- Düvell, F. (ed.). 2006. *Illegal Immigration in Europe. Beyond Control?* New York: Palgrave Macmillan.
- European Commission. 2007. „Proposal for a Directive of the European Parliament and of the Council Providing for Sanctions Against Employers of Third-Country Nationals Who Are Illegally Staying or Working in Breach of Their Residence Status.“ *Commission Staff Working Paper. Draft version*. Brussels.
- Fassmann, M. 2006. *Stínová ekonomika III – Práce na černo (Shadow Economy III – Black Labour)*. Praha: Českomoravská konfederace odborových svazů.
- gfs.bern. 2005. „Sans Papiers in der Schweiz: Arbeitsmarkt, nicht Asylpolitik ist entscheidend. Schlussbericht im Auftrag des Bundesamtes für Migration.“ [online] [cit. 3.11.2006]. Dostupné z: <<http://www.gfsbern.ch/pub/sans-papiers.pdf>>.
- Ghosh, B. 1998. *Huddled Masses and Uncertain Shores*. The Hague: Kluwer Law International.
- Gordon, T. J. 1994. „The Delphi Method.“ *Futures Research Methodology. AC/UNU Millennium Project*. [online] [cit. 5.11.2006]. Dostupné z: <http://www.futurovenezuela.org/_curso/5-delphi.pdf>.
- Heckmann, F. 2004. „Illegal Migration: What Can We Know and What Can We Explain? The Case of Germany.“ *International Migration Review* 38 (3): 1103-1125.
- Horáková, M., J. Kux. 2003. *Country Study on Informal Economy in the Czech Republic*. Prague: Research Institute of Labour and Social Affairs.
- Hudak, R. P., P. P. Brooke, K. Finstuen, P. Riley. 1993. „Health Care Administration in the Year 2000: Practitioners' Views of Future Issues and Job Requirements.“ *Hospital and Health Services Administration* 38(2): 181-195.
- Chiswick, B.R. 1988. „Illegal Immigration and Immigration Control.“ *Journal of Economic Perspectives* 2 (3): 101-115.
- Intermundia. 2005. *Výzkum obchodu s lidmi především za účelem nucené práce. Výzkumná zpráva pro MV ČR. (Research on Human Trafficking with Special Focus on Forced Labor. Research study for the Ministry of Interior of the Czech Republic)*. Havířov: Intermundia.
- Jandl, M. 2004. „The Estimation of Illegal Migration in Europe.“ *Studi Emigrazione* 41(153): 141-155.
- Jandl, M., A. Kraler. 2006. „Links between Legal and Illegal Migration.“ Pp. 337-371 in M. Poulain, N. Perrin, A. Singleton (eds.). *THESIM: Towards Harmonised European Statistics on International Migration*. Louvain: Presses Universitaires de Louvain.
- Kroupa, A., M. Horáková, V. Šmolcňop, L. Nesvadbová, V. Rudolf, I. Štěpánek. 1997. *Nelegální zaměstnávání a podnikání cizinců na českém trhu práce. (Illegal employment and entrepreneurship of foreigners on the Czech labour market)*. Praha: VÚPSV.
- Kupiszewski, M. 2002. „How Trustworthy Are Forecasts of International Migration Between Poland and the European Union?“ *Journal of Ethnic and Migration Studies* 28 (4): 627-645.
- Linstone, H. A. 1975. „Eight Basic Pitfalls: A Checklist.“ Pp. 573-586 in H. A. Linstone, M. Turoff (eds.). *The Delphi method – Techniques and Applications*. Reading: Addison – Wesley Publishing Company.
- Linstone, H. A., M. Turoff. 1975. *The Delphi method – Techniques and Applications*. Reading: Addison – Wesley Publishing Company.
- Lachmanová, L. 2003. *Budoucnost evropské migrace „Východ-Západ“ se zaměřením na postavení České Republiky. (The Future of the European East-West Migration with a Special Focus on the Position of the Czech Republic)*. Ročníková práce. Katedra sociální geografie a regionálního rozvoje, Přírodovědecká fakulta, Univerzita Karlova v Praze (manuscript).

- Lachmanová, L., D. Drbohlav. 2004. „The Probable Future Development of European East-West Migration (The Delphi Method Revived).“ *European Spatial Research and Policy* 11 (1): 135-155.
- Loveless, S. C., C. P. McCue, R. B. Surette, D. Norris – Tirrell. 1996. *Immigration and Its Impact on American Cities*. Westport: Praeger Publisher.
- Martino, J. P. 1972. *Technological Forecasting for Decisionmaking*. New York: American Elsevier Publishing Company.
- Masser, I., P. Foley. 1987. „Delphi Revisited: Expert Opinion in Urban Analysis.“ *Urban Studies* 24 (3): 217-225.
- Massey, D.S., J. Arango, G. Hugo, A. Kouaouci, A. Pellegrino, J. E. Taylor. 1993. „Theories of International Migration: A Review and Appraisal.“ *Population and Development Review* 19 (3): 431-466.
- Massey, D.S., J. Arango, G. Hugo, A. Kouaouci, A. Pellegrino, J. E. Taylor. 1998. *Worlds in Motion: Understanding International Migration at the End of the Millennium*. Oxford: Clarendon Press.
- Ministerstvo vnitra České republiky (Ministry of the Interior of the Czech Republic). 2007. *Zpráva o situaci v oblasti migrace na území České republiky za rok 2006. (Report on the Situation of Migration in the Area of the Czech Republic)*. Praha.
- Mullins, D. 2006. „Exploring Change in the Housing Association Sector in England Using the Delphi Method.“ *Housing Studies* 21 (2): 227-251.
- Nekorjak, M. 2006. „Klientský systém a ukrajinská pracovní migrace do České republiky.“ (*Client system and Ukrainian Labor Migration to the Czech Republic*). *Sociální studia* (1): 89-109.
- Nekorjak, M. 2007. „Úvahy nad neregulární migrací se zaměřením na ukrajinskou migraci v Česku.“ (*Considering Irregular Migration with the Focus on Ukrainian Migration in the Czech Republic*). *Migraceonline* [online] [cit. 30.5.2007]. Available from: <http://aa.ecn.cz/img_upload/79a33131c9c4293e0fcef50bfa263ef/MNekorjak_NelegalnimigraceCeskarepublika.pdf>.
- Palidda, S. 2005. „Migration between Prohibitionism and the Perpetuation of Illegal Labour.“ *History and Anthropology* 16 (1): 63-73.
- Papademetriou, D.G. 2005. „The Global Struggle with Illegal Migration: No End in Sight.“ *Migration Information Source* [online] [cit. 12.6.2007]. Dostupné z: <<http://www.migrationinformation.org/Feature/display.cfm?ID=336>>.
- Portes, A. 1978. „Toward a Structural Analysis of Illegal (Undocumented) Immigration.“ *International Migration Review* 12 (4): 469-484.
- Renooy, P., S. Ivarsson, O. van der Wusten-Gritsai, R. Meijer. 2004. *Undeclared Work in an Enlarged Union. An Analysis of Undeclared Work: An In-Depth Study of Specific Items. Final Report*. Brussels: European Commission.
- Reyneri, E. 2002. „Migrants' Involvement in Irregular Employment in the Mediterranean Countries of the European Union.“ *International Migration Paper 41*. Geneva: ILO.
- Rowe, G., G. Wright. 1999. „The Delphi Technique as a Forecasting Tool: Issues and Analysis.“ *International Journal of Forecasting* (15): 353-375.
- Sackman, H. 1975. *Delphi Critique – Expert Opinion, Forecasting, and Group Process*. Lexington: Lexington Books.
- Salamanca-Buentello, F., D. L. Persad, E. B. Court, D. K. Martin, A. S. Daar, P. A. Winter. 2005. „Nanotechnology and the Developing World.“ *PLoS Medicine* 2 (5).
- Tapinos, G. 1999. „Clandestine Immigration: Economic and Political Issues.“ Pp. 229-251 in OECD/SOPEMI. *Trends in International Migration*. Paris: OECD Publications.

- Turoff, M. 1975. „The Policy Delphi.“ Pp. 84-101 in H. A. Linstone, M. Turoff. *The Delphi Method – Techniques and Applications*. Reading: Addison – Wesley Publishing Copany.
- Turoff, M., R. Hiltz. 1996. „Computer based Delphi processes.“ Pp. 56-88 in M. Adler, E. Ziglio (eds.). *Gazing into the Oracle – The Delphi Method and its Application to Social Policy and Public Health*. [online] [cit. 23.10.2006]. Dostupné z: <<http://web.njit.edu/~turoff/Papers/delphi3.html>>.
- Wehnert, T., J. P. López Araguás, O. Bernardini, L. Jaworski, W. Jörß, B. Holst Jørgensen, A. Ninni, O. Nielsen, A. Oniszk-Poplawska, D. Velte. 2007. *European Energy Futures 2030. Technology and Social Visions from the European Energy Delphi Survey*. Heidelberg: Springer-Verlag.
- Wicklein, R.C. 1993. „Identifying Critical Issues and Problems in Technology Education Using A Modified-Delphi Technique.“ *Journal of Technology Education* 5 (1): 54-71 [online] [cit. 14.7.2006]. Dostupné z: <<http://scholar.lib.vt.edu/ejournals/JTE/v5n1/wicklein.pdf>>.
- Wilenius, M., J. Tirkkonen. 1997. „Climate in the Making.“ *Futures* 29 (9): 845-862.
- Wright, D. 1998. „Analysis of the Market for Access to Broadband Telecommunications in the Year 2000.“ *Computers and Operations Research* 25 (2): 127-138.