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# Helsinki: An attractive metropolitan region for creative knowledge workers?

The view of transnational migrants

ACRE report 7.5



Kaisa Kepsu  
Mari Vaattovaara  
Venla Bernelius  
Elina Eskelä

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# **Helsinki: An attractive metropolitan region for creative knowledge workers?**

## **The view of transnational migrants**

### **ACRE report 7.5**

Kaisa Kepsu  
Mari Vaattovaara  
Venla Bernelius  
Elina Eskelä



Accommodating Creative Knowledge – Competitiveness of European Metropolitan  
Regions within the Enlarged Union

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AMIDSt, University of Amsterdam



## ACRE

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# Table of contents

<b>Executive summary</b> .....	<b>1</b>
<b>1 Introduction</b> .....	<b>5</b>
1.1 Introduction and outline of report .....	5
1.2 ACRE project presentation .....	6
1.3 Short introduction to the Helsinki Metropolitan Area – its creative knowledge industries in a context .....	8
<b>2 Theories of migration: The case of highly skilled migrants</b> .....	<b>11</b>
2.1 Classical theories of labour migration .....	11
2.1.1 Push-pull-model .....	12
2.1.2 Neoclassical theories .....	12
2.1.3 New migration economy .....	13
2.1.4 Dual labour market theory .....	13
2.1.5 World system theory .....	13
2.2 New theories of labour migration .....	14
2.2.1 Theory of migration systems .....	14
2.2.2 Theory of migrant networks .....	14
2.2.3 Theory of social capital .....	15
2.2.4 Trans-national migration .....	15
2.3 Theories of highly skilled migration.....	16
2.3.1 Brain drain.....	16
2.3.2 ‘Brain circulation’: circular migration.....	18
2.4 Florida’s conception of the international mobile creative class.....	19
2.5 The upcoming paradigm .....	21
2.6 Settling and staying: highly skilled migrants in the host society .....	23
2.7 Conclusion .....	24
<b>3 Helsinki in the global economy</b> .....	<b>27</b>
3.1 A pathway to a knowledge economy .....	27
3.1.1 State of the creative knowledge industries in the Helsinki Metropolitan Area .....	28
3.2 Internationalisation of the economy in Helsinki .....	28
<b>4 Migration to Finland</b> .....	<b>31</b>
4.1 Overview of work-related migration .....	31
4.2 National migration policy .....	34
4.3 “Brain gain” or “brain drain” .....	36
<b>5 Migration in the Helsinki Metropolitan Area</b> .....	<b>41</b>
5.1 The profile of immigrants in the Helsinki metropolitan area.....	41
5.2 Migration policy in the Helsinki metropolitan area .....	44
<b>6 Research design and methodology</b> .....	<b>47</b>
6.1 Guided interviews and expert interviews.....	47
6.1.1 Guided interviews.....	47
6.1.2 Expert interviews.....	49
6.2 Structure of the sample - highly skilled migrants .....	50

<b>7</b>	<b>Results</b> .....	<b>59</b>
7.1	Motivation to come to the Helsinki Metropolitan Area.....	59
7.2	Image and expectations of Helsinki.....	66
7.3	Settling in, everyday life and staying in Helsinki.....	71
7.3.1	Initial experiences and adaptation.....	71
7.3.2	Everyday life in Helsinki.....	76
7.3.3	Staying in Helsinki.....	78
7.4	Working life and career perspectives.....	81
7.4.1	Sector of work – is Helsinki special in your field?.....	81
7.4.2	Labour market possibilities and finding a job.....	85
7.4.3	Economic matters – salary and taxation.....	88
7.4.4	Cultural differences in working life.....	89
7.5	Housing.....	93
7.5.1	Finding a place to live.....	93
7.5.2	Standard of housing.....	95
7.5.3	Choosing a neighbourhood.....	98
7.6	Social networks.....	108
7.7	Helsinki’s strengths and weaknesses.....	113
7.7.1	Strengths.....	113
7.7.2	Weaknesses.....	116
7.8	Suggestions – how to improve the attractiveness of the city.....	120
7.8.1	Improving conditions for working and studying.....	120
7.8.2	Marketing and promoting Helsinki.....	122
7.8.3	Improving city’s services and amenities.....	124
<b>8</b>	<b>Conclusions</b> .....	<b>125</b>
8.1	The “soft” and “hard” factors’ role as pulling or retaining factors.....	126
8.2	Language and social networks.....	128
8.3	Housing.....	129
8.4	Strengthening the city: “Flagship industries”.....	130
	<b>References</b> .....	<b>133</b>
	<b>Appendices</b> .....	<b>139</b>

## EXECUTIVE SUMMARY

This study forms a part of a larger ongoing EU-funded project ACRE (Accommodating Creative Knowledge - Competitiveness of European Metropolitan Regions within an Enlarged Union). The project seeks to identify the most relevant factors motivating workers and companies in creative knowledge intensive industries to establish themselves in a certain city region. In this report, the focus is on the highly skilled transnational migrants who work in selected knowledge intensive and creative industries in the Helsinki Metropolitan Area, Finland. The aim is to discover the principal drivers behind their decisions to move and stay in the city. Our main aim was to investigate how attractive the city is for the highly skilled migrants, and how appositely the current theoretical ideas about factors influencing migration fit the Helsinki case study of highly skilled migrants.

In recent years, Helsinki has rapidly become one of Europe's leading knowledge based economies. The well-developed knowledge base is one the main reasons for Finland's and Helsinki's frequent high rankings in different indices measuring competitiveness, innovation and economic performance (Centre for International Competitiveness, 2007; Florida & Tinagli, 2004; van Winden et al., 2007).

Despite positive international rankings, the Finnish innovation system is still largely national and monocultural. Considering the level of foreign direct investment or numbers of foreign employees, the internationalisation of economy tends to be narrowly focused on certain sectors and business organisations, mainly on the field of ICT. Only 7% of the population of Helsinki are of immigrant origin, and even the large business organisations operating in a thoroughly international context are mostly staffed by relatively few skilled migrants.

The need for skilled immigrants is widely recognised in national and regional strategies and business organisations. There is a shortage of labour in several sectors and the aging of the population is exacerbating the problem on a national scale. Despite the overall positive immigration balance, the net immigration in the highly skilled group remains negative. The current immigrant population in Helsinki is also markedly less educated than the host Finnish population. When compared to other Western European countries, Finland is one of the few experiencing a degree of brain drain. This tendency, together with the structural labour shortage and the aging of the population, has spurred political and economic interest for attracting skilled migrants and efficiently integrating the group into the labour market.

To investigate the attractiveness of Helsinki Metropolitan Area for the highly skilled workers, we conducted 25 guided, semi-structured interviews with migrants working in selected creative knowledge industries in Helsinki. In addition, we conducted 5 interviews with experts on migration issues affecting Helsinki.

The majority of the interviewees reported career-related reasons and social reasons as the main motivators for moving to Helsinki. Current job and family were mentioned most often

as the main reason for migrating, while generally good job opportunities, presence of quality universities, excellent English skills of the population, proximity to nature and safety for children were also among the most frequently mentioned attracting factors. However, from the perspective of the general attractiveness of Helsinki, it is a significant finding that less than a quarter of the international experts ranked the employment opportunities in the city as the first or second reason for migrating. When the majority of highly skilled workers do not build their careers on life-long employment within one organisation, but a chain of different positions and employers, the perceived employment opportunities are extremely important for the city region's ability to compete for skilled workforce.

According to our interviews, it seems that the “soft” factors such as cultural diversity and tolerant atmosphere emphasised by Richard Florida (2002) do not play a significant role in migration to Helsinki. Of the most important factors mentioned, safety for children and proximity to nature are the only ones which could be considered soft. One explanation for this observation might be the fact that Helsinki is generally not well known worldwide or even within Europe, and Finland in general is mostly known for Nokia and the ICT industry. When migrants decide to move to Helsinki, the attraction is built upon personal and family reasons or relatively “hard” factors associated with realistic career opportunities, rather than the (more unknown) soft factors. Social networks do not seem to play an important role in migration, for example through chain migration. This might in part be explained through the short history of labour migration into Finland.

In the case of Helsinki, the role of soft factors seems to be somewhat stronger as retaining factors or perceived strengths of the city. Although the most often mentioned strength of the city was the overall functionality, including the public transportation and the working bureaucracy among other things, several soft factors were also mentioned. These factors included safety, cleanliness, human scale of the city, peoples’ English skills and nature. Transnational migrants also valued certain soft factors in the neighbourhood more than their Finnish peers from similar questionnaires. The quality of the neighbourhood environment and proximity to public open space were factors which foreign creative knowledge workers rated more important than their Finnish colleagues. However, more classical location factors, such as proximity to public transportation and services, short distances to work and the size and cost of dwellings were also rated by the transnational migrants as the most important factors in neighbourhood choice.

The greatest challenges of living in Helsinki were reported to be the Finnish language and the accessibility of both professional and social networks. Although English is generally well mastered and widely used in companies and in the private sector, many employers require Finnish skills, and several public and private services are not extensively offered in English. Other experienced weaknesses of the city were challenges the experienced lack of job opportunities compared to some cities, the high living costs and the mismatch between the price and quality of housing. The northern climate and small size of the city also received some negative remarks.

One of the most significant findings of this study was the importance of – and problems with - social life for advancing career possibilities and settling in the city. The professional networks are tightly-knit and reportedly difficult to access, and this weakens the migrants’ professional

opportunities as well as their everyday satisfaction. The troubles with entering the professional social networks may apply to the Finnish experts as well, but language barriers seem only to enhance the problem. The impermeability of the Finnish professional networks may imply that the need for internationalisation of the innovation system still has not penetrated the strategic thinking at all levels. In the private sphere, the nature of social life in Helsinki and also the relative lack of migrant networks seem to make social life challenging for the migrants. The relative impermeability of social life in both professional and private spheres could be considered the most significant rebelling 'soft' factor in the case of Helsinki.

Another major challenge for the immigrants is the housing market. The problems in this sector include the poor availability of reasonably priced and high-quality rental apartments, the Finnish language used for most housing services and the landlords' prejudices towards foreigners. The available housing is often perceived as costly especially considering the small standard size of the apartments. Interestingly, the highly skilled migrants' housing preferences largely reflect the preferences of the Finnish skilled workers. These problems of housing have already been acknowledged in the earlier phases of ACRE which investigated the locational preferences of Finnish workers and company managers (see Kepsu & Vaattovaara, 2008a, 2008b). According to both groups the standard and price of the housing in the Helsinki Metropolitan Area lowers the quality of life in the city and may be a threat to its overall competitiveness.

Another central observation regarding the housing and the choice of neighbourhood is that the transnational migrants' residential patterns are extremely close to that of their Finnish peers. This resembles several international observations of highly skilled migrants making similar residential choices with the corresponding native socio-economic group (e.g. Freund, 1998; Glebe, 1986; White, 1998; White & Hurdley, 2003). This observation, together with the neighbourhood characteristics valued by the international experts, bears significance to the development of residential areas for the needs of expert groups the city is aiming to attract.

From the perspective of our research, the role of strong clusters and the accessibility of the networks within them seem to be very strong for attracting and maintaining international experts. Enhancing these clusters and encouraging more employment opportunities and social openness within them appears as the single most relevant action in attracting a larger body of transnational creative knowledge workers. This is especially relevant in the case of younger experts, whose position and preferences in the labour market is built most often on short-term employment within one organisation, creating a direct need for a larger, flexible labour market. In short, instead of flagship businesses, the strategies could be organised around what could be viewed as whole "flagship industries".

In conclusion, the employment opportunities within and the overall strength of the "flagship industries", price and quality of housing and the accessibility of the social networks especially in professional life are the major aspects the interviews in this research suggest as important in attracting and retaining creative knowledge migrants in the Helsinki Metropolitan Area. The attraction of the area appears to depend mostly on hard factors, in particular the perceived employment opportunities within the most internationalised clusters. Soft factors, such as the quality of the living environment and the accessibility of social networks have a stronger role as retaining factors.

Consequently, these observations offer direct development needs in order to gain further internationalisation through gaining foreign talent. More rigorous marketing of the city is also a point, which several interviewees raised. The city has a variety of strengths generally appreciated by transnational creative knowledge workers and especially appealing to families with children. Making the strengths better known could contribute to the decisions to migrate into the area. After the necessary conditions concerning employment opportunities are satisfied, several soft factors can have a direct impact in attracting talent to the region. In the case of Helsinki, one of the region's strengths is clearly its high quality of life and its safety.

# 1 INTRODUCTION

## 1.1 Introduction and outline of report

The objective of this report is to understand the drivers behind the decisions of the transnational migrants who settle in the Helsinki Metropolitan Area, differentiated according to the type of economic activity they are connected with. We are aiming to find out the relative importance of the location factors that played a role in their decision making process, with a particular focus on the importance of ‘soft’ factors such as the quality of space, atmosphere of the city and region and availability of high-quality residential space.

One of the most frequently mentioned keys to a successful development as a ‘creative knowledge region’ is openness for transnational migrants. The type of migrants most wanted for stimulating an attractive breeding ground for creativity and knowledge-based activities is the skilled transnational migrant. Most of them migrate between large international economic centres and only stay for relatively short times between a few months and a few years. To what extent does Helsinki manage to attract these skilled migrants? Are the skilled migrants needed for the ‘creative knowledge city’ actually coming to the city region? If they are attracted, how accessible and attractive is the local and regional housing market for them? Which aspects of the city are they satisfied with, and which are considered unsatisfactory?

Economic restructuring has led to a globalised labour market, and a new international division of labour. Nations have greatly varying roles in this global division of labour, which has led to increasing flows of skilled international migration between countries (see also Boyle, 2006). Traditionally migration flows have been explained mainly by economic factors. In neoclassical macro-level models, migration is seen as balancing regional inequalities on the basis of economic opportunities. The key drivers of migration are wage inequalities and differences in employment opportunities. The migration process, however, is far more complex than a simple reaction to economic disequilibrium, which is why several different perspectives have emerged to explain migration, including behavioural issues, as well as structural constraints underlying the migration process.

Lately the discussion has come to embrace the importance of location-specific amenities and quality of life indicators on migration. Migration decisions are not influenced only by wage differentials. Households have changing demands for different amenities, and the demands are related to life-course. Amenities can compensate for variations in economic factors with overall quality of life (Boyle et al., 1994). For example Richard Florida (2002) argues that place attractiveness and immigration of skilled people, “creative class”, are closely linked. In his view, place-related amenities are important in the locational preferences of skilled transnational migrants. In the current global economy, where cities and countries are competing for talent, attention is paid to quality of life indicators and place marketing.

Although Helsinki and Finland have recently been ranked high in international competitiveness indices, it is unclear whether Helsinki is seen as a particularly attractive work destination for foreign professionals. So far, Helsinki is not as international as perhaps expected by its competitiveness in certain economic sectors, particularly ICT.

The remaining sections of this chapter provide a presentation of the ACRE research project and an introduction to the Helsinki Metropolitan Area and its creative knowledge industries. Chapter 2 presents theories of migration briefly overviewed in this introduction, focusing on the case of the highly skilled migrants. In Chapter 3, we examine the internationalisation of Helsinki through the city's position in the global economy. Chapters 4 and 5 provide information on migration to Finland and migration in the Helsinki Metropolitan Area, respectively. Chapter 6 describes the research design and methodology, and our sample of highly skilled migrants. Chapter 7 presents the results from our interviews, focusing especially on the themes of work, housing and social life. Chapter 8 concludes our results and provides a discussion on the drivers behind migration and the attractiveness of Helsinki.

## **1.2 ACRE project presentation**

This research is a part of the ACRE research project (Accommodating Creative Knowledge – Competitiveness of European Metropolitan Regions within the Enlarged Union). The 4-year project is funded by the European Union.

The ACRE project aims to assess the impact of the emerging “creative class” and the rise of the “creative industries” on the competitiveness of EU metropolitan regions. While the traditional “hard” location factors that firms use will remain important for international competitiveness, new “soft” location factors that are mainly related to attracting the required talent pool would deserve increasing attention. The central research question is: what are the conditions to create or stimulate “creative knowledge regions” in the context of the extended European Union? We will compare the recent socio-economic development trends and strategies in several metropolitan regions across Europe to get a better idea of the extent to which creativity, innovation and knowledge are indeed the keys to a successful long-term economic development.

The metropolitan regions in the ACRE project are: Amsterdam (NL), Barcelona (ES), Birmingham (UK), Budapest (HU), Dublin (IE), Helsinki (FI), Leipzig (GE), Milan (IT), Munich (GE), Poznan (PL), Riga (LV), Sofia (BG) and Toulouse (FR). This set of countries will provide a rich and representative sample of case-studies. The most important topic to consider is which metropolitan regions might develop as creative knowledge regions, and which regions might not. With the results of this study the EU might seriously consider strengthening the profile of metropolitan regions within the EU area as regards creative knowledge branches and activities in the face of increasing competition with other growth regions in the world.



The ACRE project has four phases. The first phase consisted of a literary review and produced local reports about the current paths of creative knowledge regions. Secondly, empirical data was gathered and analysed. In the earlier studies of this phase, we interviewed local creative knowledge graduates and workers, and the managers of creative and knowledge-intensive companies. This report describes the last empirical work package of the ACRE project, and the focus is on the highly skilled migrants living in the ACRE research regions. In the last two forthcoming ACRE stages a synthesis for all the case studies will be made, along with policy recommendations for the future development of the metropolitan regions.

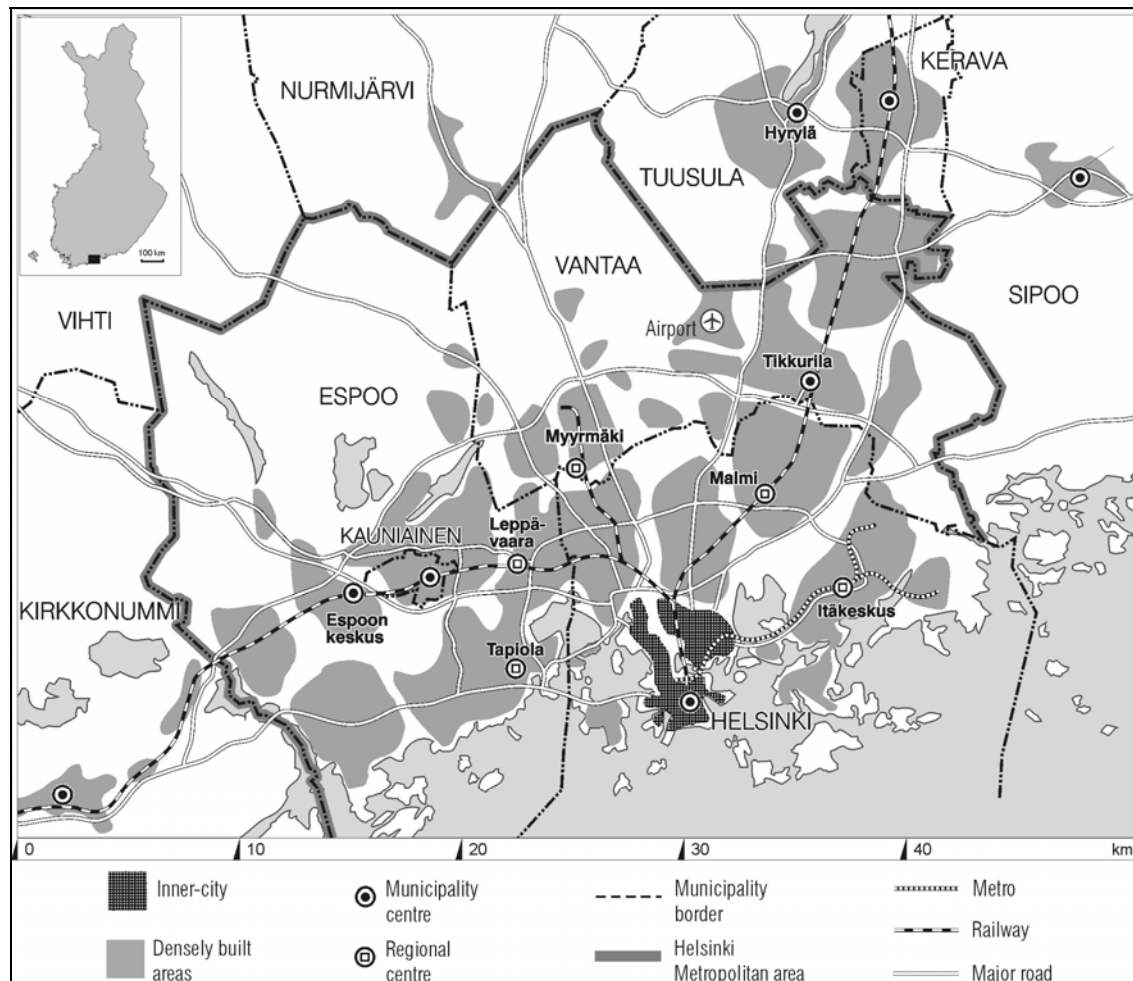
The ACRE project focuses on seven dimensions:

- The (potential) effectiveness of regional competitiveness policies that focus on a creativity- and knowledge-based metropolitan economy;
- The role of path dependency: do traditions in certain economic branches and certain local and regional historic spatial structures contribute to a more favourable point of departure when trying to develop a creative knowledge region?
- The extent to which policies for competitive creative knowledge regions not only aim at attracting certain types of economic activities, but also at providing soft location factors like an attractive residential environment, public space, and meeting places for the talent pool needed for these economic activities;
- Related to this, the extent to which cluster formation, especially in creative and knowledge-intensive clusters, is related to these soft location factors;
- The question which regional geographic and administrative scale is most relevant for regional competitiveness when aiming for creative knowledge regions;
- Differences and similarities between metropolitan regions in West, Central and Eastern Europe in their potentials to become competitive centres of creativity, knowledge and innovation.
- The role of trans-national migration of a skilled labour force towards centres of creativity and knowledge, and the extent to which these trans-national migrants are attracted by soft location factors like an attractive residential environment, a diverse population and a tolerant atmosphere in the metropolitan regions they migrate to? How important are such factors when weighted against job or career opportunities and costs of living? To what extent are migrants to creative knowledge cities different from migrants to global or world cities in their reasons to migrate?

### 1.3 Short introduction to the Helsinki Metropolitan Area – its creative knowledge industries in a context

Helsinki and its metropolitan region is the primate city in Finland, and the region dominates Finland in several respects. In this paper, we focus on the geographical entity of the Helsinki Metropolitan Area (or Metropolitan Helsinki). It is defined as a region consisting of the four municipalities of Helsinki, Espoo, Vantaa and Kauniainen (Figure 1.1). This is the only metropolis in Finland, and altogether harbours about one million inhabitants (Helsinki Regional Statistics, 2008).

**Figure 1.1 - The Helsinki Metropolitan Area includes the municipalities of Helsinki, Espoo, Vantaa and Kauniainen**



Source: Department of Geography, University of Helsinki

The economic and social influence of the city reaches far further than the four neighbouring municipalities. With its satellite municipalities (8 in total) the region has a population of more than 1.2 million. Helsinki's share of the national population is 23 percent. It has 30 percent of the jobs in Finland and produces 34 percent of Finnish GVA (Laakso & Kostiainen, 2007, p. 21). In the creative and knowledge intensive industries the region's share of the employment positions is clearly higher, and most of the sectors, such as the media are strongly clustered in the region. For example, in television and radio activities more than 70 percent of the employment is in Metropolitan Helsinki (Statistics Finland 2007, see Kepsu & Vaattovaara, 2008b). In addition, the rates of both GVA growth and population growth are the fastest in Finland and among the fastest rates in Europe (Laakso & Kostiainen, 2007).

The Helsinki region has a relatively young population structure. However, the ageing of the population poses a challenge for the labour supply in the whole country, and the problem is also evident in the Helsinki region. According to forecasts, without a migration surplus the number of working age population will start to decline within just a few years. It is already clear that an increasing proportion of the migrants to the area will come from abroad in the future. The official population forecasts predict that the capital region (Helsinki, Espoo, Vantaa and Kauniainen) will have 130 000 new inhabitants by the year 2025 – out of which 100 000 will be foreign born (Pääkaupunkiseudun..., 2007). Thus the general research questions raised by the ACRE project, on the soft versus hard factors or more specifically on the importance of the 3T's thesis raised by Richard Florida (talent, tolerance and technology) are from several perspectives central when it comes to the development of the Helsinki metropolitan area.

The population of the Helsinki region demonstrates a high and growing level of education: 68 percent of persons over 15 years of age have a degree (secondary or higher) and 34 percent a university or polytechnic degree (City of Helsinki Urban Facts, 2006). Education levels have increased markedly. The goal of Finnish education policy is to educate some 50 percent to 70 percent of an age cohort with tertiary education. The current situation in Helsinki metropolitan area is rather good in comparison to other European cities of similar size. Educational policy has also followed the general welfare state policy. Everyone should have possibilities for an education on all levels regardless of social background. Higher education and work-tasks based on the education and competence are widely used mantras to vision the survival of Finnish economy in the global competition. The Helsinki region is scoring well in the comparisons of other European city regions, most recently as number one in several OECD PISA studies, where the skills of Finnish students were ranked as the best in the world. Perhaps the most important finding regarding the dimensions presented is the high education level of women in Helsinki and in Finland in general. The gender equality is one of the key dimensions in Finnish society and it has been and still is discussed constantly in public debates.

The well-developed knowledge base is one major reason for the fact that Finland and Helsinki have frequently ranked very high in different indices measuring competitiveness, innovation and economic performance. In 2006-2007 Helsinki was positioned as number two after Brussels in the European Competitiveness Index (Centre for International Competitiveness, 2007). Also, in Richard Florida's and Irene Tinagli's report "Europe in the Creative Age"

(2004) Finland is seen as one of the top performers in Europe that is doing “exceptionally well” according to their indicators of competitiveness. The report further concludes that “Finland in particular appears to be well-positioned to compete in the Creative Age with a high level of overall creative competitiveness and rapid growth in its creative capabilities” (Florida & Tinagli, 2004, p. 40). In a typology on European cities in a knowledge economy, van Winden et al. (2007) classified Helsinki, along with Amsterdam and Munich, as “stars” in terms of their position in the knowledge-based economy. Whether the success in rankings and indices translates to real economic success, will be examined along the way in the ACRE project.

## 2 THEORIES OF MIGRATION: THE CASE OF HIGHLY SKILLED MIGRANTS<sup>1</sup>

For a better understanding of transnational migration in creative and knowledge intensive industries in the city region of Helsinki it is important to review the recent international migration research and its theories. Migration to Europe in the past 20 to 25 years differs in form and consequences from earlier population movements across national borders. New types of migration and new forms of trans-national migration can be observed in most EU countries, including Finland. Older approaches of migration research do not seem to adequately describe current migration processes. In particular the migration of highly skilled workers shows specific characteristics which require new descriptions.

There is no consistent theory of migration; on the contrary, migration research is characterised by a wide range of theories. Classical approaches basically deal with economic factors to explain migration processes on the macro-level or decisions to migrate on the micro-level. However, the changes in migration processes since the 1990s cannot be fully accounted for by classical theories. Hence new approaches try to explain contemporary migration structures. They point out the embeddedness of migrants in social networks and focus on the meso-level of migration through exchange processes between social spaces. In this chapter classical approaches of migration research and new theories will be described which focus on labour migration in general. Afterwards there will be a description of approaches which deal with migration of highly skilled migrants in particular. This also includes Florida's account of the 'creative class'. His perception of this 'class' as being 'hyper-mobile' is one of the most contested elements of his creative class thesis. Finally the discussion turns to which approaches best describe the movement of highly skilled migrants to Helsinki.

### 2.1 Classical theories of labour migration

Classical theories of migration interpret migration processes as unidirectional with definite countries of origin and destination areas. Migration processes are explained as a consequence of economic disparities and adverse conditions on which individuals react and decide to migrate.

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<sup>1</sup> This section has been written by the ACRE Leipzig team (Bastian Lange, Juliane Schröder and Kornelia Ehrlich, Leibniz Institute of Regional Geography) and Amsterdam team (Marco Bontje and Heike Pethe, University of Amsterdam). The section is common to all ACRE reports within Work Package 7.

### *2.1.1 Push-pull-model*

The emergence of international migration can be explained by correlations between countries of origin and host societies. Everett (see Lee, 1972), worked out a push-pull-model which states that there are push-factors in the regions of origin and pull-factors at the destination area, which both encourage migration. There are also intervening factors like spatial distance, migration laws and personal facts which influence decisions to migrate. This approach considers not only economic factors, such as economic disparities, but also social factors like conflicts or the attempt to escape from danger (Bürkner & Heller, 2008, p. 38; Haug, 2000, p. 8; Kneer, 1996).

### *2.1.2 Neoclassical theories*

Neoclassical theories are based on the push-pull-model. Macro-economic approaches focus on economic factors like economic growth (see Lewis, 1954; see Todaro, 1976). It is assumed that disparities between places of production and labour markets – namely disparities of wage level as well as labour supply and demand for labour – lead to migration. Migration is seen as the attempt to reach a macro-economic equilibrium. Countries with work intensive sectors are characterised by low wages and countries with capital intensive sectors by high wages. These wage differentials cause migration to the areas where the income level is higher. Thus the labour supply lowers and wages increase in ‘poorer’ countries while labour supply increases and therefore wages lower in ‘richer’ countries. At the same time economic and human capital flow towards the ‘poorer’ regions, which are beginning to develop capital intensive sectors. Migration abates when economic disparities vanish. This disregards other factors like the establishment of migrant communities in host societies who may encourage further migration (Haug, 2000, p. 2f, 11f; Bürkner & Heller, 2008, p. 38f).

Macro-economic theory has its counterpart in micro-economic approaches. Here the focus is on the individual migrant. As individuals they opt for migration by rational cost-benefit calculations. Migration is interpreted as an investment to maximise economic utilities. Individual features, social conditions or technologies which lower the costs of migration enhance the probability of migration. The amount of the expected benefits determines the extent of migration flows. The higher the income level in the destination area in comparison to the earning in the home region, the lower the costs of migration, and/or the longer the remaining years in professional life, the higher the probability of migration. This implicates that there is a higher incentive to migrate for workers with less human capital if the expected income level is low. By contrast high skilled workers are encouraged to migrate if the expected income is high. Otherwise they tend to stay because they can take advantage of their human capital in their home country as well (Massey et al., 1993, p. 456; Haug, 2000, p. 5f, 13f).

But neoclassical theory disregards international political and economic contexts, decisions, and social boundaries. Furthermore, the inherent assumption of homogeneous professional abilities in countries of origin and destination areas as well as the assumed trend to global macro-economic equation are not fully explored.

### *2.1.3 New migration economy*

The new migration economy approach also focuses on an economic factor: income. But it also considers the social embeddedness of individuals in households. Individuals are interpreted as acting collectively. Hence the approach focuses on families and households. According to this approach households try to maximise the expected income and to minimise risks for their economic wealth. The job migration of a household member is a form of reassurance because the migrant is independent of local economic conditions of the household. Furthermore international migration and the associated money transfer from abroad can be used as capital for an increase in productivity of the household. Usually it is a form of temporary migration. It is claimed that adjustment of wages does not stop international migration. Even if there is no strong incentive, households try to diversify their economic risk by migration of family members. Migration is seen as a risk lowering strategy (Haug, 2000, p. 7f).

### *2.1.4 Dual labour market theory*

Neoclassical migration theory as well as new migration economy assume that migration is a result of rational decisions of individuals or families. In contrast the Dual labour market theory suggests that migration is an effect of political and socioeconomic constellations. The reasons for labour migration are not seen as a trend toward a labour market equilibrium but in the segmentation of the labour market. Advanced industrial societies develop a dual economy with a capital-intensive primary sector and a labour-intensive secondary sector. The latter is characterised by insecurity and low wages. Native workers usually do not have any motivation to accept these jobs, which also means less prestige and low promotional prospects (Lebhart, 2002, p. 13f). Hence, advanced economies demand foreign workers for the secondary segment. This causes migration (Haug, 2000, p. 3f; Lebhart, 2002, p. 13ff).

### *2.1.5 World system theory*

This migration approach assumes a clash between capitalistic industrial- and developing nations. It is assumed that the origin of migration lies in institutional and sectoral disparities which are evoked by the integration of nations into the worldwide capitalist system. This approach divides the world into three zones: core, semi-periphery and periphery. To explain the patterns of migration the reciprocal dependency of these zones as well as direction and constitution of flows of capital and goods are analysed. It is presumed that international labour migration follows the international flows of capital and goods in the opposite direction. This portends that first of all migration is detectable in Global Cities, which attract migrants more from the periphery than from industrialised societies.

Therefore migration is seen as a logical consequence of the globalisation of the economy which causes the emergence of capitalistic markets in developing countries. This implies that international migration primarily occurs between former colonial powers and its colonies because of already existing relations in economy, transport, administration, culture and language (Lebhart, 2002, p. 16ff; Haug, 2000, p. 4f; Bürkner & Heller, 2008, p. 40f).

## 2.2 New theories of labour migration

The 1990s confronted previous migration research with new migration forms which could not be described as unidirectional processes with definite countries of origin and definite destination areas. The classical micro- and macro-analytic migration theories failed to provide satisfactory explanations. There was a missing link: the connection between individuals and society. New approaches in migration research pointing out the importance of social networks as the missing link were required.

### 2.2.1 *Theory of migration systems*

The theory of migration systems assumes that the intensive exchange of information, goods, services, capital, ideas and persons between specific countries causes a stable system. Migration is one of these exchange processes. Thereby several countries of emigration can be connected with one region of immigration, just like one emigration country can be characterised by migration flows to several destination areas (multi-polarity). Migration systems are variable social arrangements (formal and informal) including individuals and institutions of both countries. The participation of social and ethnic networks, multinational firms, educational institutions or other corporations - as mediators between macrostructures and individuals as well as between the different countries - in shaping the migration system plays a crucial role. Therefore this approach concentrates on macro-, meso- and micro-structures. It considers the economic, political, social, demographical and historical context of migration systems and focuses on both ends of the migration flow, on disparities and interdependencies. But it does not say much about the genesis of migration systems.

In contrast to other theories the relevance of spatial proximity is denied. Instead it points out the influence of political and economic relations on migration systems. As political, economic and communication relations are adjusted by feedback and modulation mechanisms, migration systems, although stable, are not static but dynamic. The processes in and between countries change. New migration systems emerge, countries drop out or join a system, interdependencies transform and migration flows alter in shape (Haug, 2000, p. 17ff; Bürkner & Heller, 2008, p. 44f; Lebhart, 2002, p. 29 ff; Fawcett, 1989, p. 671ff).

### 2.2.2 *Theory of migrant networks*

The migration system approach points out the very relevance of ethnic networks built by migrants and their family and friends. In contrast to old micro- and macro-analytic approaches, new migration theories focus on the meso-level of migration. The social network approach also stresses the influence of social networks on migration. Migration networks shape social and spatial paths of migration and provide new migrants with information and resources, like support finding a residence, work or providing financial security. In short, they facilitate migration through lowering the costs and risks of migration. On the other hand they smooth the process of keeping in touch with the home region and influence the integration process of the new migrants into the host societies.



Therefore it is assumed that personal relationships which connect migrants, former migrants and non-migrants in the home countries and host societies increase the probability of international migration and can lead to chain migration and sustained migration flows. That means there is no strong correlation between migration flows and wage and employment disparities because of the positive effects of migrant networks. These networks develop an own dynamic which cannot easily be regulated.

The effects of social networks on migration are not clear yet. Surely, social relationships influence the decision to migrate by providing information and support or the opposite. Strong social ties in the home countries can inhibit migration. Weaker social ties can promote the movement. Migrant networks can produce security but also dependency, liability, little integration in the host society and therefore less freedom. This could frighten people. Thus respective contexts have to be considered in order to correctly interpret the relationships between social networks and migration (Haug, 2000, p. 20ff; Lebhart, 2002, p. 20ff; Bürkner & Heller, 2008, p. 42ff).

### *2.2.3 Theory of social capital*

The network perspective can be specified by the term social capital. As noted above, personal contacts to friends, relatives and compatriots facilitate migrants to find jobs and housing and can offer financial support. The motives for providing resources might vary. While some act simply for ethical reasons (value orientated) or feel a group identity and therefore act by solidarity (bounded solidarity); others act strategically (reciprocal transfer) or in awareness of their position within the group (status orientated) (Haug, 2000, p. 22ff; Bürkner & Heller, 2008, p. 45f).

That means that besides the benefits of social capital there are also restrictions like conformity pressure, obligation to share and limitation of contact with other persons which do not belong to the social network. Making contacts outside the community could be seen as an assault on a given group's identity and lead to punishment. Therefore individual getting ahead could be inhibited. Consequently, whether social capital is a major factor next to economic capital in the migration process or not, depends on the type and openness community in which the migrant is situated.

### *2.2.4 Trans-national migration*

Migration systems and processes have changed since the 1980s. They can be described as circular movements with specific social structures and mobile lifestyles. A special form of international migration, these new patterns are called trans-national migration. New forms of communities emerge, producing specific social spaces by the socio-cultural practices of trans-national migrants. These spaces are neither bounded in the home country of the migrants nor in the host society but between them and therefore are interpreted as being trans-national social spaces.

“[...] trans-national social spaces are pluri-local frames of reference which structure everyday practices, social positions, employment trajectories and biographies, and human identities, and simultaneously exist *above and beyond* the social contexts of national societies” (Pries, 2001, p. 65).

Trans-national migration is characterised by spatial movements that can be nomadic and pluri-local, but these movements are not de-territorialised. This leads to hybrid identities and practices. Trans-national migrants can benefit from opportunities in their home countries as well as of their current domicile. They are able to create flexible strategies of sojourn. The possibility of gaining power in their country of origin by i.e. transferring economic capital to their country of origin and simultaneously gaining more power in the host society as political actors, as “voices for the minorities”, is a specific feature of trans-national migrants (Bürkner, 2000, p. 302; see also Glick Schiller et al. 1992).

Trans-nationalism is explained by the process of globalisation and its linked modern communication, transport and labour forms. But as Bürkner points out, there were migration forms in history which showed trans-national characteristics before globalisation began, such as the early migration paths of the ethnic communities in the United States. Furthermore economic and socio-cultural processes of globalisation as well as processes of transformation on a national level appear to be not more than framing conditions for a collectivisation around an individual or a little group. The relevance of economy for the emergence of trans-national spaces is disregarded (Bürkner & Heller, 2008, p. 46f; Bürkner, 2005, p. 113-122; Haug, 2000, p. 16f; Pries, 2007, p. 20-22).

## **2.3 Theories of highly skilled migration**

Besides old and new migration theories which try to explain labour migration in general (see 2.1. and 2.2.) there are new approaches which focus on the migration of highly skilled workers in particular. Besides the concept of Brain Drain, where movement of highly skilled is interpreted as unidirectional, other theories think this migration form as circular and oscillating and connect them with the changing dynamics of capitalism.

### *2.3.1 Brain drain*

The brain drain approach normally is applied to migration of highly skilled workers between different countries. The country of origin and destination area are seen as clearly defined containers with separated social systems. The embeddedness of migration processes into flows of capital, goods, communication and information is only of marginal interest.

The concept of brain drain assumes a unidirectional and permanent migration between ‘more’ and ‘less’ developed countries. Again economic factors like the higher income level in the destination area are claimed to be the main reason for migration. Seen from the perspective of dependency theory, developing regions are characterised by a loss of human capital while highly industrialised societies benefit. The dependency theory assumes a stratification of countries in an international system and resulting power and dependency relations between dominant societies and countries in a lower position. Here migration is seen as a specific form

of interaction between states, which is caused by structural disparities in dependent societies and provides a benefit to dominant countries (Bürkner & Heller 2008, p. 39) In consequence it is said that the emigration of highly skilled obstructs the economic progress in developing regions and as a result keeps them in economic dependence (Meusburger, 2008, p. 31; Meusburger, 2008, p. 51f; Pethe, 2006, p. 5f). But this approach does not consider that emigrated highly skilled workers might return to their home countries. This would be brain gain since highly skilled workers improved their qualifications abroad and therefore could push the development in their home countries. Instead of speaking about brain drain, it is more likely that there is brain circulation (Pethe, 2006, p. 9). We will now discuss the gradual shift in migration literature from 'brain drain' to 'brain circulation' and the possible negative and positive impacts on the countries of origin in some more detail.

In the social science literature, three approaches are prominent which discuss the mobility of the highly skilled professionals. In the 1960s, the issue of brain drain discussed the negative outcomes of the emigration of talent of third world countries to industrialised countries. Often graduates originating from developing countries took advantage from the large income differences and better working conditions in Western states (Schipulle 1973; Adams, 1968). Although many European countries refused to give labour permits to third world graduates, the US became the favourite destination for this group of mobile highly skilled migrants. As a result, more than 40% of the highly skilled persons in all OECD countries who are resident outside their home country live in the US. Although the brain drain perspective is still present in the political arena, it has lost its prominence. Firstly, the geographical pattern of mobility changed in the 1980s due the increasing trans-nationalisation of the companies and the economy (Findlay, 1988; Salt, 1988; Findlay and Gould, 1989; Beaverstock, 1990; Findlay & Garrick, 1990).

Secondly, researchers like Annalee Saxenian pointed out that the emigration of highly skilled can lead to a return migration of highly skilled after several decades, which has a positive impact on the economies of the developing countries. In her book 'Silicon Valley's new immigrant entrepreneurs' (1999), she explained how India, Taiwan and China profited from the economic activities of their 'diaspora'. In her latest book 'The New Argonauts' (2006) she also describes the positive effects of international mobility of highly skilled migrants for regional development. She has observed the impact of foreign talent and entrepreneurs in Silicon Valley in the last decades and claims that the openness to foreign creative talent is also one of the key factors for the success of Silicon Valley and in the home countries of the migrants. Saxenian proposes that the successful development of the ICT industry in Israel, Taiwan and to a lesser extent in China and India is caused by the mobile talent who stimulate innovation, investment and trade between the countries. The exchange of knowledge, she concludes is that the foreign experts 'welcome the openness, diversity and initiative that have built Silicon Valley'. The connection which is constructed by the mobile ICT engineers is the basis of the economic success of these industries in their home and host countries.

Thirdly, country and regions in industrialised countries have become aware that highly skilled home nationals are also increasingly mobile and migrate to foreign destinations. Some of the studies mentioned earlier, like the work of Beaverstock, address expatriate communities from advanced capitalist countries to other advanced capitalist countries or to rapidly developing countries, like the British communities in New York City and Singapore. In our own

empirical analysis we will also demonstrate that a significant part of the highly skilled migrants coming to European city-regions are coming from other European city-regions, and that they are often either on the move to yet another European city-region or plan to return to their city-region of origin. This is again an example of ‘brain circulation’, a form of circular migration we will discuss in more detail now.

### 2.3.2 *‘Brain circulation’: circular migration*

Since the 1980s labour migration changed. As empirical studies show (i.e. Wolter, 1997) an increasing movement of highly skilled workers has emerged. Often this migration is temporary and can be described as circulation between industrialised societies as well as a migration from ‘more’ to ‘less’ developed countries. Circular migration implicates the return of the both skilled and less skilled migrants to their home regions after one or more migration steps and is connected to transnationalism (Vertovec, 2007, p. 3f). Circular and transnational migration are closely linked and a clear distinction between them is even problematic, if migrants keep up their social and functional relations to their home society on a large scale (Fassmann 2008, p. 23). Circular migration effectively means that though the region of origin firstly suffers a brain drain by losing highly skilled workers, there is also a brain gain by foreign highly skilled or a brain re-gain through the return of highly skilled workers, who might have improved their qualities. It is thus possible to consider this a form of brain exchange between different regions (Schultz, 2008, p. 52f; Pethe, 2006, p. 7ff).

This new form of migration of highly skilled workers is attributed to internationalisation and economic interdependences. Therefore the perspective of research focuses primarily on the meso-level like firms and institutions. In the 1980s, the international financial market was deregulated and many industrial producers moved their production units outside their home markets. The world economy began to internationalise. Many trans-national production and service companies developed which led to the ‘brain exchange’ of highly skilled professionals within these large international organisations. The expertise of the highly skilled employees was needed to control and supervise the new sales offices, production units and bank branches abroad (Boyle et al. 1994, Findlay 1995). These so called expats were typically seconded to a foreign branch for two to five years. Although they were privileged compared to those professionals who came from third world countries a decade earlier, and they were compensated for their international assignment with relocation service and a salary above the home level, the seconded professionals had little choice over their country of destination. They were are part of the international stream of investments and trade which was allocated due to the outcomes of international investment opportunities. I.e. the expats accompanied the foreign international direct investments streams and, in the case of newly erected production units, the trade of foreign goods and services. Wolter (1997) showed the interrelation between investment and international migration for the case of the European Union in the 1980s.

Beaverstock, who investigated the mobility of these professionals in the financial service sectors over two decades, points out that the geography of their mobility is often related to the geography of global cities (Beaverstock 1994, 1996, 2002). Global cities are metropolitan regions with a large concentration of high range services and international headquarters which command and control international investment streams (cf. Friedman 1986; Sassen 1996).

The **Globalization and World Cities** Research Network in Loughborough mapped out the position of cities in this international urban system by looking at the connectivity of the international organisation in the urban regions. In addition to the circular movement within the industrialised countries, Beaverstock and others also describe a movement from the North to the South. Compared to the previous mobility which was described as brain drain, the brain exchange connected industrialised countries more strongly or describes mobility from industrialised countries to less industrialised countries. Due to its strong economic embeddedness, the brain exchange is influenced by economic circles with a large increase of international mobility in the period of economic upturn and a decrease of international migration in the period of the economic downturn.

The brain exchange perspective was criticised recently for approaching the international migration of the highly skilled mainly from an economic perspective and neglecting the agency of individuals (Scott, 2006). Before the role of the individual migrants is discussed, it should be mentioned that the economy has also changed in the last decade, and the organisation has also influenced the intra-company mobility of employees. Large vertically integrated companies were typical for the Fordist age. These differentiated units did not only comprise various production and administrative units, they also began to allocate each function at the most suitable location. Due to the internationalisation of their organisations, highly skilled migrants were seconded between the different parts of the companies. Typically they were sent from the headquarters to peripheral locations. Due to the reorganisation of trans-national companies in post-fordism (Cormode, 1994; Koser and Salt, 1997; Wolter, 1999), hierarchies were reduced and activities were outsourced. The size of companies reduced, which in turn curtailed the employees' international career opportunities. The companies in the creative knowledge industries tend to be very small. A large share has less than 5 employees. On the one hand, this particular structure of the sector makes it less likely that intra-company mobility will be a common feature in the creative knowledge sectors. On the other hand, the technological progress enabled small actors to be mobile internationally, because the international communication and transport become cheaper and easily available. Instead of being seconded within a large company, it appears to be more likely that highly skilled individual change between small and medium companies will now run on their own steam.

## **2.4 Florida's conception of the international mobile creative class**

“Regional economic growth is powered by creative people, who prefer places that are diverse, tolerant and open to new ideas”, writes Richard Florida (2002) in his book “The rise of the creative class”. The attractiveness of a city, its quality of life and its diversity are pivotal for the future development of cities. A good ‘people climate’ will draw new creative people to those places and will lever the economic success of regions. Using this imagination Florida describes conditions which are strongly related to the inward mobility of creative talent as a precondition and an effect for regional economic success of metropolitan regions. Diversity which is described as heterogeneity in terms of ethnicity, sexuality and lifestyles is seen as a precondition for the inflow of new talent. People from various backgrounds will be attracted to these spaces which will again lead to an even larger diversity of people. In the first texts,

Florida does not distinguish between national or international migrants, but his later book 'The flight of the creative class' uses examples which indicate that he does not only have national migration, but also international migration in mind.

Florida mainly focuses on the ability of places to attract foreign creative people, when he writes: "Today, the terms of competition revolve around a central axis: a nation's ability to mobilise, attract, and retain human creative talent". The attractiveness of regions is important, because the economic success will increase with the inflow of talent. This is the most important formula which Florida uses. A detailed description in which ways foreign migrants contribute to the host economy is difficult to decipher in his work. Several hints can be found: foreign creatives "help build our scientific enterprises" (p. 95), account for "a disproportionate share of most influential scientists" (p. 101), relieve the "looming talent shortage" (p. 103), "take American ideas and American relationships back home" (p. 110) and contribute to the entertainment industry (p. 125).

Florida has a very broad conception of the creative class which comprises 30% of the American work force. Again it is unclear in which aspects the mobility of the creative class is different from other highly skilled persons. But not only Florida lacks a clear definition of what is meant by the mobility of the highly skilled. Scholars wishing to investigate the international mobility of the highly skilled see themselves facing a jungle of definitions. The definition of their qualification and their migrant status can vary enormously. For instance, the term 'highly skilled' can indicate a formal educational credential, but 'skill' can also be defined as the ability to solve certain task whether those abilities were acquired by experience or a formal education. The status as migrant can be related to certain forms of work permits for foreign employees, the status as a seconded employee within an international companies or simply mean non-national. In addition to that, Florida gives an account about the creative class which does not necessarily mean that other occupations such as doctors are not internationally mobile, whereas other creative knowledge workers are certainly limited to perform their activity in different countries. One prominent example are lawyers whose main professional reference are national laws. International law firms have only developed recently and mostly they are limited to a certain field like international mergers and acquisitions. Although differences between the creative knowledge occupations seem to exist, their scope is still unclear and also how do they contribute to different national economies?

Florida's ideas might be one of the most prominent accounts of a social scientist which emphasises the importance of the international migration for regional economies. In the political arena, the issue has been more strongly articulated since the labour shortages in several sectors appeared in industrialised countries (OECD). After the creation of a common market, the individual inhabitants of the countries of the European Union received the right to move freely within the common space. At the time, the creation of a common space was not so much motivated by the attraction of foreign talent, but by the reduction of economic disparities between the various regions of the member states. Although several limitations exist, for examples for citizens of the new European member states, the member states and the European Commission aim to reduce the barriers, introduce a common migration policy and even support the mobility of certain groups actively. The Lisbon agenda, the agreement of a common migration policy in Tampere and the establishment of the student exchange programmes such as Socrates and Erasmus are examples which aim to promote mobility

within Europe. The goal is to increase the competitiveness of the member states of the European Union by stimulating their ability for innovation and knowledge transfer. In other political arenas, motivations to support the international mobility of highly skilled professionals are articulated. For example, on a global level, governments find mechanisms to deregulate short term international mobility which is related to the international trade of goods and services (OECD, WTO). Apart from the attraction of talent, the reduction of disparities, the decrease of labour shortages, the stimulation of innovativeness and the lubrication of economic globalisation, various national statistical offices in central and Eastern Europe predict a continuous decrease in their work force over the coming five decades. The political initiatives in Europe and the US are increasingly perceived as an international 'war for talent'. Florida addresses in his recent book the increasing danger that the US American cities loose this ability to attract and to retain foreign talent. European countries are becoming increasingly successful competitors for creative talent, in his view.

All accounts use imaginations of international migrations which expect positive outcomes. This is a recent development. Since the oil crisis in the early 1970s, immigration was stopped in most European states, because the incoming labour was seen as a competitor for the home nationals. In many countries only transferees of trans-national companies were successfully able to apply for a labour permit. Although those negative threats are less articulated in the public now, the mechanisms of the international migration of the highly skilled are not fully analysed. Who is internationally mobile? Why are trans-national migrations engaged in certain industries? How long do they typically stay? What effects does their presence have on the region, in particular on the economy and the housing market? Which cities and regions are attractive and what are the drivers behind their success?

## **2.5 The upcoming paradigm**

The firm related perspective has been central in the study of international migration of the highly skilled, because many researchers assumed that this migration flow was largely demand driven. Apart from labour migration, other motives exist. Personal motives like family unification and marriage are the most prominent. Another important factor is education. But asylum seekers and refugees also start new lives in other countries. In addition to that, an increasing number of cases are reported, when highly skilled migrants decide to live in a country because of the interesting cultural environment and the amenities as described by Florida. Then, immigrants settle in the country first, and look for work later. In other words, the variety of reasons to settle in a certain country might be more important than the reasons which are found in the immigration legacy of the country in question.

In the Netherlands, for example, about one third of the immigrants entered the country due to employment related reasons, another third because of family related reasons and one sixth started with their studies in the Netherlands. Of course, these numbers needed to be treated with caution, because they are strongly related to the immigration categories which exist in the Dutch law. Firstly, immigrants use and tend to be classified in categories which gives them the best access to the host country. Research (Kanjapan, 1995) shows that immigrants tend to switch between the categories to a large extent. Secondly, important motives such as

large differences in the house prices in border regions which are not relevant in the legal framework are not mentioned in the legal framework.

The heterogeneity of expats increases. Apart from the seconded transferees who work in large companies, an increasing share come on their own steam. Due to the removal of immigration barriers for labour migration within the EU and the stronger support of student mobility internationally, the socio-economic background and the motives of trans-national migrants diversify (Conradson & Latham, 2005; Scott, 2006a, 2006b). According to Scott, groups of expats are diversified. Young professionals who come in their early careers or stay on as graduates, international Bohemians who enjoy the cultural amenities and assimilation-settlers who marry a partner in the host country are new groups that have not gained enough attention. An overview of the nationality of foreign highly skilled immigrants in the Netherlands shows that the immigration of highly skilled persons cannot always be related to economic linkages between the countries. In 2000, nearly 50% of the highly skilled foreign nationals who lived in the Netherlands come from countries which either had strong colonial ties to the Netherlands such as Indonesia or Suriname, or were the recruiting countries of the former guest workers such as Turkey and Morocco or where the home countries of a larger highly skilled refugee population such as Iraq, Iran or Afghanistan. Less than one third of the foreign highly skilled in the Netherlands, however, derive from Western OECD countries. Using nationality as an indicator of migration motivation is, of course also problematic. Firstly, this approach assumes that persons with a similar nationality share the same motive. Secondly, these immigrants are formally highly educated, but it is unclear, if they can use their educational credentials in their job. In addition to that, many foreign nationals are born in the Netherlands, and although they hold a foreign passport, they cannot be considered as migrants.

The new heterogeneity of the skilled migrants also leads to a larger diversity of residential choice between the foreign highly skilled. The former orientation on the higher segments of the housing market in the suburban areas fades in favour of the increasingly popular and more expensive inner city on the one hand, and lower priced apartments on the other. Due to the strong urban orientation of creative workers, the overall preference for inner city location might also be emphasised by foreign creative workers. Furthermore, the duration of the stay appears to fluctuate. Expats who typically live between two to five years abroad are accompanied by trans-national migrants who settle for a longer time frame or even permanently in the foreign country. In addition to that, the possibilities to access the labour market of creative knowledge workers might also vary with their demographic background. Kibbelaar (2007) points out that foreign migrants who are not part of the classic expat population in the Netherlands often struggle to find positions in the creative knowledge industries and are less likely to choose a creative knowledge profession because they consider those occupations as less prestigious and economically less rewarding.

Therefore, an analysis which identifies how many persons work in the creative knowledge economy and are of foreign descent might give a more accurate number about the real inflow foreign creative knowledge workers than an approach which only identifies the formal education of immigrants. A comparison between the results of both approaches identifies the scope of the brain waste of immigrant human capital, because it identifies the scope of access of foreign highly qualified workers to these industries.



## 2.6 Settling and staying: highly skilled migrants in the host society

While the trans-national mobility of highly skilled migrants receives increasing interest and attention from academic researchers and policy-makers, much less attention has been given to their post-move experiences, and their preferences in terms of residence, amenities and relations with the host society. Integration into the host society, for example, is generally not considered a problem since most highly skilled migrants are expected to stay a few years at most working in well-paid jobs. Another generalising assumption often made is that highly skilled migrants most often come from societies that are very close to the host society in terms of norms, values and behaviour, so they may not have adaptation problems. These assumptions might apply to most expatriates, but as we have seen in the sections above and in our empirical analysis, this group is actually only a small part of the highly skilled migrants coming to and travelling within Europe. Highly skilled migrants quite often stay for more than a few years, they do not always come with the guarantee of a job, their job is not always well-paid, and they also come from non-Western developing countries. While this heterogeneity in the broad category of highly skilled migrants is gradually acknowledged, we find little evidence of this in the international academic debate so far. When matters of settling and staying of highly skilled migrants are discussed, the focus is strongly on the sub-category of expatriates, and most attention is given to the housing and real estate market.

Expatriates are often merely seen as affluent corporate movers who can rely on relocation services. Because of this view, they are often discussed in terms of dualisation of world cities. Several studies (Freund, 1998; Glebe, 1986; White, 1998; White & Hurdley, 2003) show that immigrants from OECD countries differ in their housing preferences strongly from other, often lower skilled migrant population. The residential pattern is often very similar to home nationals with the same socio-economic status. “[T]he settlement of migrants from North America, Australasia and other parts of Europe has tended to occur most strongly in those parts of London with the highest occupational status”, observes White. This pattern varies between different OECD nationals. Japanese corporate transferees and their families show the strongest segregation of all national groups in London, in Düsseldorf and Frankfurt/Main. They live more often in suburban locations, and share less often similar housing patterns with similar status groups. The high concentration is often ascribed to the activities of relocation services and Japanese real estate agencies, the importance of public transport access to work, security of the residential environment, quality of the dwelling (cleanliness of kitchen) and proximity to school and other community institutions (Glebe, 1986; Glebe, 1997; White, 1998; White & Hurdley, 2003). In particular the proximity to schools is often stated as a pivotal point for all OECD nationals too, although this view is also contested. Generally, expatriates rent more often than home nationals due to their temporary status, although the rental sector is with some 10% of the dwellings relatively small in some of the investigated cities such as London. Rarely the apartments of the transferees are owned by their companies. Instead White and Hurdley observe that other ethnic entrepreneurs who hold these apartments as property investment let these high-priced dwellings to Japanese in London. This untypical demand in the rented sector leads to a rise of rent prices in those residential neighbourhoods. A similar connection between the rise of housing prices and immigration is described for Vancouver. This is probably the most prominent and extreme example which illustrates how activities of affluent immigrants lead to a significant increase in housing prices (Brousseau et

al., 1996; Hiebert, 2000, 31ff; Ley & Tutchener, 2001; Olds, 1998; Olds and Yeung, 1999). Because of the transfer of Hong Kong to the People's Republic China, wealthy Chinese immigrants and entrepreneurs fled to Canada. They acquired Canadian citizenship through large investments. Often they spent large amounts of money in the regional housing market and transformed the suburban residential landscape, because they constructed houses which were conceived as monster-houses by the older population of English descent. Due to their acquisition of large suburban properties the prices in the higher housing market segment rose. In addition, entrepreneurs built malls and developed larger inner city housing projects (Ley & Tutchener, 2001; Olds, 1998; Olds, 2001).

The examples from London and Vancouver, however, show how the effects are firstly related to global flows which are linked to each city. Secondly, they show that the aims of the incoming educated population from the industrialised countries and the effects of their inflow can vary considerably. Recently, Scott underlined that an increasing heterogeneity of highly skilled immigrants stream into European cities. Apart from the typical expatriate population, overstaying students, family migrants and international bohemians live in the metropolitan regions. Also Conradson and Latham point at the 'middeling trans-nationalism' in large European cities such as London which comprises an increasing number of mobile middle class individuals. Compared with the typical expat population, the residential preferences differ. They are more oriented towards inner city neighbourhoods. Due to their lower income, they are not able to afford a rented dwelling in the upper housing segments. Since they travel more often individually, they can also not rely on relocation services to find accommodation. On contrary, they are more likely to compete with the local middle class. In other words, the chances of trans-national migrants and expats to access the labour market and the effects of their presence are as much related to their socio-demographic background as to the local and national regulations.

## **2.7 Conclusion**

Reviewing theories of migration is important for understanding the possible drivers of international migration and the different perspectives for exploring the phenomenon. However, when focusing on the current situation of Helsinki and on the migration of the creative knowledge workers, some approaches or combinations of approaches offer more fitting perspectives on the particular case.

Helsinki differs from many European capitals mainly by its short immigration history and rather peripheral location. Although the economy of Helsinki is internationalising at a rapid pace, the tradition for immigration is short and the city's position on the hierarchy of world cities is still relatively marginal. Earlier in the European history, the migration patterns in Finland were marked by emigration to other countries and could mostly be attributed to the classical macro-economic explanations for labour migration. The current trends are much more complex, but interestingly there are still characteristics of labour-driven emigration. The current yearly net balance of highly skilled migration is negative, meaning that Finland is in a rare position among Western-EU countries experiencing a degree of brain drain (Johansson 2008). However, the majority of the highly skilled emigrants return (Johansson 2008), linking

the pattern of migration to the phenomenon of circular migration or brain circulation and transnationalism.

The theory of migration systems might be adequate to deal with international migration to Helsinki when considering the EU as a developing migration system. European unification establishes specific economic and political relations between the different member states, and the timing for the growth of immigration to Finland coincides with Finland joining the EU. Because of its extension, the EU as a migration system is permanently transforming and establishing new forms of interdependencies and transfers. There are also subsystems within the larger EU migration system, like the systems operating within the southern or central Europe. Given that, there is the assumption that there are a great number of transnational migrants who move between countries of the EU. In this system, Finland is strongly connected to the north-west axis because of the long-lasting Nordic cooperation and migration tradition, and to the east axis along the Baltic countries, especially Estonia. Finland is also attracting a growing number of migrants from other parts of the EU and outside the EU migration system.

As seen in section 2.2.4, new migration forms are attributed to the idea of transnationalism. Especially the movement of highly skilled is described as nomadic and pluri-local. The approach of transnationalism seems to be particularly interesting for dealing with the specific situation of highly skilled migrants in Helsinki. Central questions in the theories dealing with transnationalism are the openness of the city and the city's embeddedness in transnational social spaces and networks. As the growth of the immigrant population is relatively recent, the depth of transnational spaces and networks might not be adequate to attract migrants or retain them in the city through the quality of social life.

Besides transnationalism, the current discussion on migration deals extensively with the importance “soft” factors such as cultural diversity and tolerance, and with the diversification or new heterogeneity of the skilled migration. While Helsinki is a very equal city with regard to gender or socioeconomic differences, the city also has a relatively monocultural historical tradition compared to many other European capitals. This raises interesting questions both about the perceived state of the “soft” factors described in literature and about their actual importance for the migrants in the case of Helsinki (Florida, 2002). The city also has a variety of good quality universities for diverse post-graduate education, but the business sector does not quite correspond to this variety when considering the level of internationalisation or employment of the different sectors. Internationally, Finland is strongly profiling itself as ICT and design oriented, but it is an interesting question, whether the career opportunities and perceived realities of the transnational migrants actually correspond to this image.



## 3 HELSINKI IN THE GLOBAL ECONOMY

### 3.1 A pathway to a knowledge economy

Helsinki stands out as a modern and dynamic city with a well trained labour force coupled with systematic investments in R&D. There has been a massive economic change towards an open, globally integrated and ICT- driven economy, together with political stability based on the Nordic welfare state. This structural mix has led Manuel Castells and Pekka Himanen (2001) to conclude that a special model of an information society has developed in Finland (Vaattovaara & Kortteinen, 2003; Inkinen & Vaattovaara, 2007).

Thus in a rather short time Finland has become one of Europe's leading centres of growth in information and communication technologies (Vaattovaara & Kortteinen, 2003). It is quite unique that Finland managed to overcome the collapse of the economy in the early 1990s, when Finland was hit by one of the worst recessions in OECD countries after the II World War. Since that, the country has undergone a major economic restructuring and developed its economy, with the ICT-sector as the main driver, into one of the fastest growing economies in Europe. This restructuring was collectively directed by all key players in the society: the government, municipalities, universities and business organisations were invited and willing to join major strategic policy meetings and together invest in pulling the economy up on its feet again (Holstila, 2007).

It is difficult to point out the main reasons why the Helsinki Region has been able to overcome the economic depression of the early 1990s and become a leading urban region. The key principle of the authorities has been to mobilise and join the resources of the business community, the academic community and the administrative sector. The emphasis in policymaking has been on education, research and knowledge. The welfare system with the belief in social equity and social balance has been another cornerstone (Gräsbeck, 2007; Schienstock, 2004).

Creative knowledge policy issues are and have been on the agenda of the Helsinki Metropolitan Area policy makers for some time. Investments in research and education have been the cornerstone of the policy initiatives. Some practical projects with the aim of supporting creativity and developing the attractiveness of the metropolitan area have also been implemented. Recently issues on creativity and competence have become topical questions in Helsinki and Finland. There is strong enthusiasm in Finland among politicians and civil servants to work on creative knowledge strategies to foster national development.

### 3.1.1 *State of the creative knowledge industries in the Helsinki Metropolitan Area*

Employment in the creative and knowledge intensive occupations is relatively extensive in the Helsinki Metropolitan Area. In 2004 30.5 percent of the employees worked in the sectors ACRE defines as being the creative knowledge sectors which effectively represent the creative industries (see Musterd et al., 2007; Kovács et al., 2007, p. 20-21). Employment in creative industries amount to 12.9 percent of the total employment, and the knowledge intensive sectors employ 17.7 percent of the workforce in Metropolitan Helsinki. Also according to calculations by Florida and Tinagli (2004), the Creative Class in Finland comprises a similar share, 28.6 percent of the total workforce – the third highest in the European regions studied in the report. Employment in both creative industries and knowledge industries has risen significantly in six years (see Kepsu & Vaattovaara, 2008a).

In general, ICT industries form the most important industrial segment in Helsinki's economic profile. Since the emergence of Nokia, the world's leading mobile phone manufacturer, a new information and communication (ICT) based growth sector was born. The growth in employment was remarkable between 1993 and 2001, until the so called "dot com" boom of the ICT sector in the early 2000 balanced the growth. The ICT sector has contributed extensively in the value-adding to gross domestic product (GDP). The employment figures, number of employed persons and jobs, are however relatively low compared to the added value.

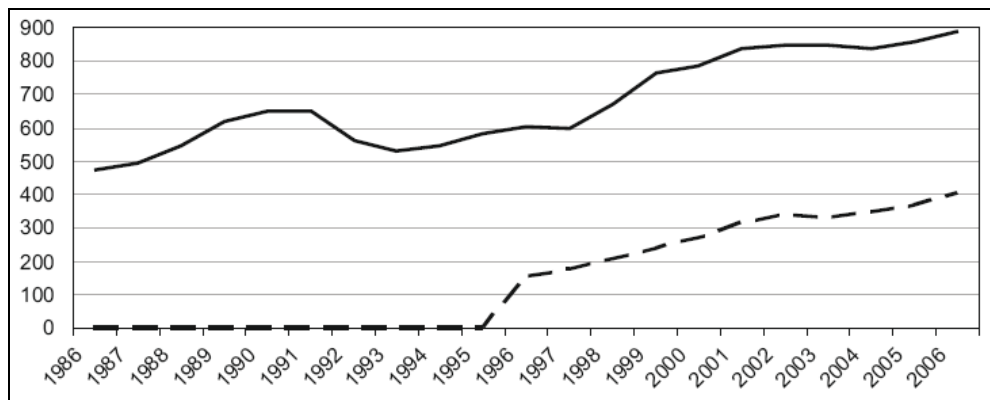
## 3.2 **Internationalisation of the economy in Helsinki**

Helsinki is not classified as a global city and ranks relatively low in world city hierarchies and economic classifications. The Globalisation and World Cities Research Network world city ranking positions Helsinki in the third lowest category, the category of cities with "relatively strong evidence of world city formation". Taylor (2003) gives Helsinki a score of 0.26 in the global network connectivity index, where London sets the standard by 1.00, and another Nordic capital city, Stockholm, gets a score of 0.44. In an index of cities with major banking and finance connectivity, Helsinki drops out completely, while Stockholm scores 0.26 (Taylor, 2003). Foreign direct investment (FDI) is also relatively low in Helsinki, compared with cities like Dublin, which have the same position in the global hierarchy of cities. The same is evident in the Finnish economy as a whole. While the GNP-share of FDI is almost 50% in other Nordic countries such as Sweden and Denmark, the corresponding figure for Finland is 30% – the EU average (Hilpinen & Heikkilä, 2008).

The internationalisation of the economy in Helsinki is centred on certain strong sectors, and more specifically a few major business organisations which are operating on a global scale. The ICT cluster, particularly significant in Helsinki, is one of the sectors which can be considered most internationalised, along with nationally significant internationalised sectors, such as the forest sector. The ICT cluster is largely driven by Nokia, which both operates globally and recruits skilled migrants in Finland. It is notable that Nokia is one of the few Finnish businesses recruiting a larger body of international workforce at its Finnish base – a total of 7% of its employees (Confederation..., 2007).

Finnish economic internationalisation has two distinctive features besides the strong emphasis on ICT sector and relatively low levels of FDI: a general outwards progression and a tendency of internalisation on an organisational scale, rather than in the movement of individuals. The outwards tendency is evident in investments: the GNP-share of FDI from Finland to other countries significantly exceeds the investments from other countries to Finland (Hilpinen & Heikkilä, 2008; Steinbock, 2007). Several Finnish businesses have grown internationally and employ a significant number of people abroad, most notably Nokia along with other ICT businesses and some forest sector organisations (see Figure 3.1). However, Finland has not attracted quite as many multinational companies or organisations on its own soil. Only 1 in 30 business organisations operating in Helsinki are foreign-owned and together they employ 20% of the total workforce in the city (European..., 2007). In Finland as a whole, under 1% of business organisations are foreign-owned (Piekkola, 2008). The growth has been stronger in the recent years, though, and especially the number of large foreign-owned business organisations has grown over 70% since 1995 (Piekkola, 2008) (see Figure 3.2).

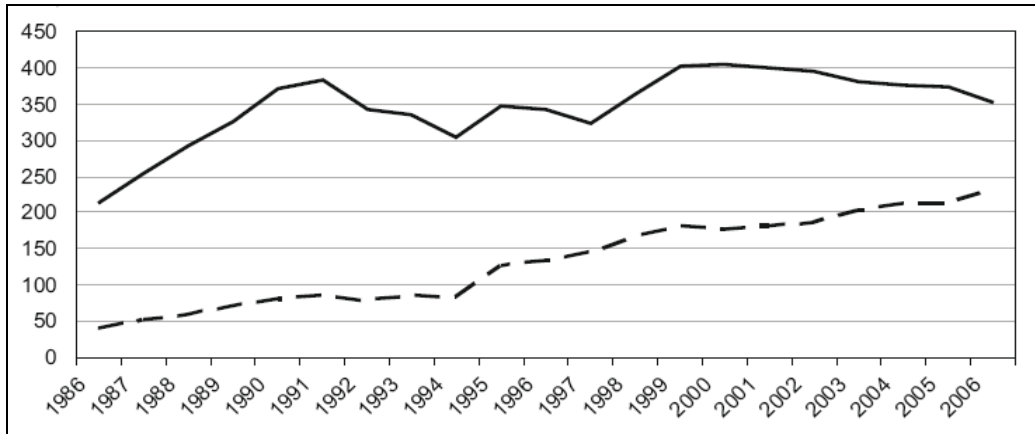
**Figure 3.1 - Number of the employees in large Finnish-owned business organisations (in thousands) in 1986-2006. The black line signifies the number of employees in Finland, while the dotted line signifies the number of employees outside Finland.**



Source: Piekkola, 2008 p. 30

Along with the businesses, the outwards trend is evident in the migratory patterns of the workforce. On one hand, the Finnish workers are relatively mobile on an international scale, especially in the group with tertiary education (Johansson, 2008; OECD Science..., 2007). On the other hand, the business organisations operating in Finland have not attracted a noticeable number of international migrants. In a survey of business organisations belonging to the Confederation of Finnish Industries in 2006, only 1.5% of all employees were foreign and just 2% even in the field of IT (Confederation..., 2007). In 2006, Nokia alone employed generally more immigrants in the country (1700) than the total IT positions held by migrants. It is noteworthy that even several of the globally functioning businesses operating in Helsinki are staffed with few skilled migrants. A concrete example of the outward flow of internationalisation in businesses operations and a low level of mobility to Finland is the Suomi-corporation, which operates in 25 countries, but only had 36 immigrants (0.5%) working on its Finnish base in 2006 (Confederation..., 2007). Thus the outflow of economic activities and, to some extent, skilled migrants is relatively strong, while the inflow of business organisations is weaker, and the inflow of skilled migrants very weak compared to the outflow.

**Figure 3.2 - Large business organisations in Finland in 1986-2006. The black line signifies the number of more than 50 % Finnish-owned, while the dotted line signifies the number of more than 50 % foreign-owned businesses.**



Source: Piekkola, 2008 p. 28

Despite the relatively low level of internalisation, Helsinki ranks very high in international competitiveness and knowledge rankings. The State of European Cities Report (2007) noted Helsinki as one of the most important knowledge hubs in Europe along with cities such as London and Amsterdam, and the Global Competitiveness Report 2006-2007 (World Economic Forum, 2007) noted Finland as the second most competitive country globally. However, the innovation system is still relatively domestic (Lammasniemi, 2008; Sabel & Saxenian, 2008). Together with strong economic dependency on a narrow sector of the economy and the imbalance of internationalisation of economy, the monocultural, “self-made” innovation system leaves the economy in Helsinki vulnerable to global fluctuations. As Lammasniemi (2008) notes: “The major part of corporate life works in the global economy. Our monocultural innovation system cannot serve our companies that operate in a multicultural world.” The need for internationalisation of the innovation system still has not penetrated the economic strategies of several companies: in a large survey of Finnish companies and public sector agents, only 53% of the decision-makers recognised international workers as an important factor for the innovativeness of the organisation (Söderqvist, 2005)

#### **Helsinki in the global economy**

- The economic growth and internalisation of economy have been strong since the recession in the 1990s, driven by initiatives of all actors on the economic field.
- Finland has been considered to be an internationally significant case of a highly competitive information society characterised by a strong Nordic welfare state.
- The growth and internationalisation of the economy are centred on a few strong sectors and business organisations, mainly the ICT-cluster.
- By western-EU standards, the internationalisation of the economy and innovation system is still on a relatively low level, particularly when considering the employment of international experts in business organisations.



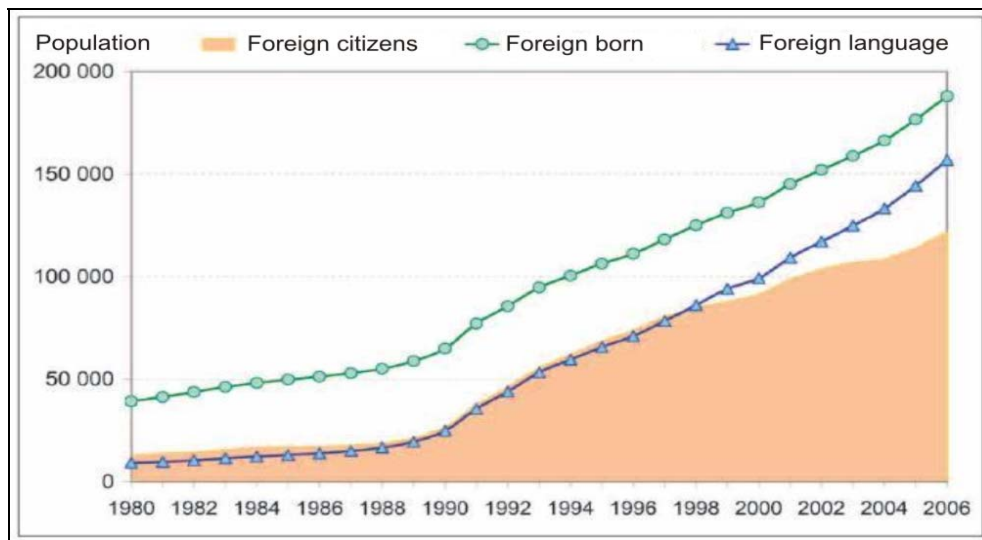
## 4 MIGRATION TO FINLAND

Finland has currently relatively few immigrants compared to other EU countries. Since the population structure is aging at an exceptionally rapid pace, immigration is given a strong emphasis in the national and regional economic strategies. The net migration balance has been positive for two decades, but the outflow still exceeds the inflow in the highly skilled group.

### 4.1 Overview of work-related migration

Finland has a long history of employment-driven emigration especially to Sweden and North America. However, immigration was extremely small-scale up until the 1990s. The net migration balance turned markedly positive only in the late 1980s. The relative growth of the immigrant population was fastest in the 1990s, and in the recent years the growth rate of the immigrant population has remained rather constant (Paananen, 2005; Heikkilä & Pikkarainen, 2008). At the moment there are approximately 130 000 foreign citizens in Finland, which corresponds to 2.5% of the total population (Helsingin..., 2008). The different ways of classifying immigrants produce slightly different estimations of the total immigrant population: classified by foreign language, the number of immigrants is a little over 150 000 (Figure 4.1).

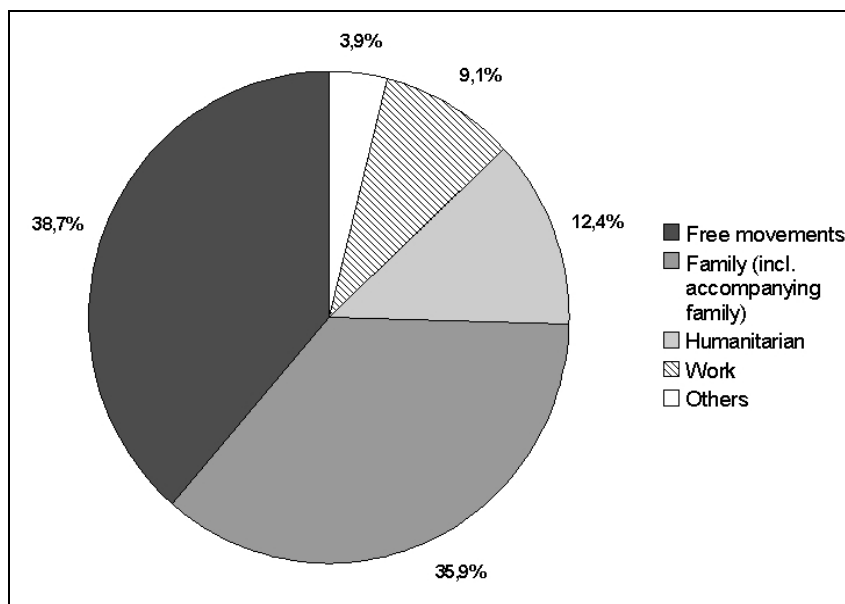
**Figure 4.1 - Number of immigrants in Finland 1980-2006. The three definitions of immigrants include foreign nationality, birth place outside Finland and language group (i.e. native language not Finnish, Swedish or Saami).**



Source: Heikkilä & Pikkarainen, 2008 p. 19

The role of work-related immigration compared to other immigration types is still relatively small by European standards, which is characteristic for all Nordic countries (Heikkilä & Pikkarainen, 2008). The early immigration was marked by humanitarian or family-driven immigration from the former Soviet Union and some African countries. Although the share of labour immigration has risen constantly during the last decades, its share is still below the EU average. Of the 13 900 permanent residence permits given to foreign citizens in 2006, only 1300 were based on current employment (International..., 2008, p. 241) (Figure 4.2). The share of 9.1% is relatively low compared to the corresponding share of 28.9% in the United Kingdom, which is one of the countries receiving the most work-related immigrants. The differences in national classification methods make the comparisons somewhat difficult, but the tendency towards a smaller share of work-related immigration in the Nordic countries is still clear.

**Figure 4.2 - Migration inflows of foreign citizens by type in Finland, 2006**



Source: *International..., 2008 p. 241*

A large part of the yearly work-related inflow of approximately 40 000 persons is on a short-term basis, and not registered as permanent immigration. According to the OECD International Migration Outlook (2008), about 7 200 persons from non-EU countries, mostly Russia, were granted work-related residence permits in Finland in 2006. The most common occupations were cooks, truck drivers, garden workers and cleaners. A further 15 000 EU citizens entered Finland for work-related reasons, and another 14 000 persons were visa-exempt. A large part of the EU citizens entering on a short-term basis were Estonian construction workers.

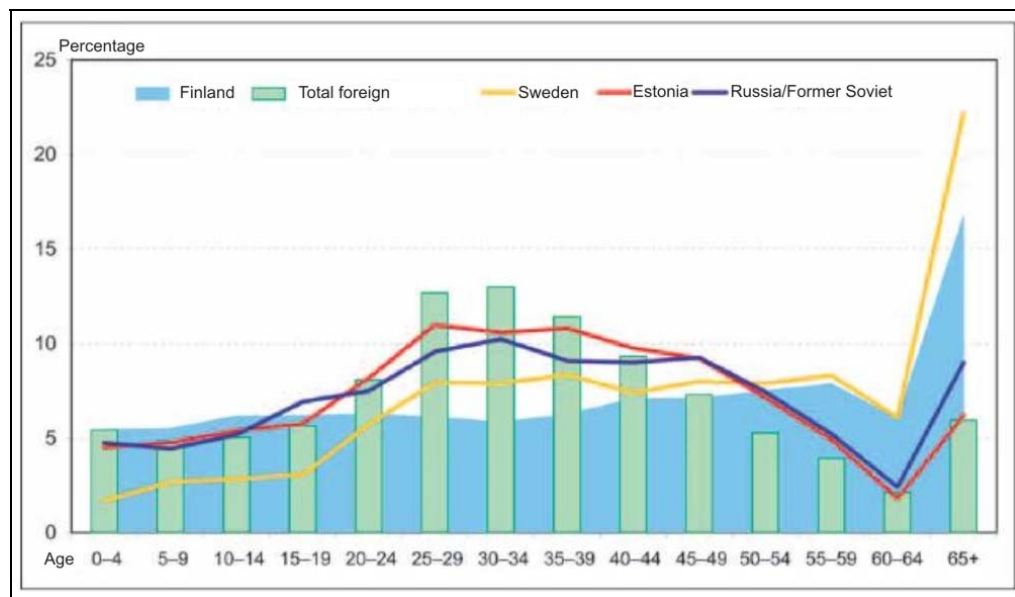
The labour market situation of immigrants in the permanent residence group in Finland reflects the relatively strong emphasis on humanitarian or family-driven immigration. In 2006, the unemployment rate of immigrants was 24%, which was approximately three times the average unemployment rate. However, the situation is noticeably better than in 1996, when the country was recovering from an economic recession, and the unemployment rate of

immigrants was more than three times the average: 48%. (Heikkilä & Pikkarainen, 2008; International..., 2008)

The largest groups of foreign citizens in Finland come from Russia, Estonia, Sweden and Somalia. The employment rate (almost 60% in 2003) is highest among the Estonian immigrants, reflecting the low average age and good Finnish skills in this group. Immigrant groups from Western Europe, North America and China are also relatively well situated in the labour market, and the employment rates for these groups ranged typically from 45 to 55% in 2003, when the total employment rate in Finland was 66%. The immigrants currently make up 2.7% of the labour force. (Heikkilä & Pikkarainen, 2008, p. 55)

From the labour market perspective, the immigrant population has a lot to offer. The age structure of the immigrants is far younger than the native population. Currently 75% of immigrants entering Finland are in the working age (Kohonen, 2007), and the age groups from 20 to 45 are strongly overrepresented in the immigrant population compared to the Finnish population (Figure 4.3).

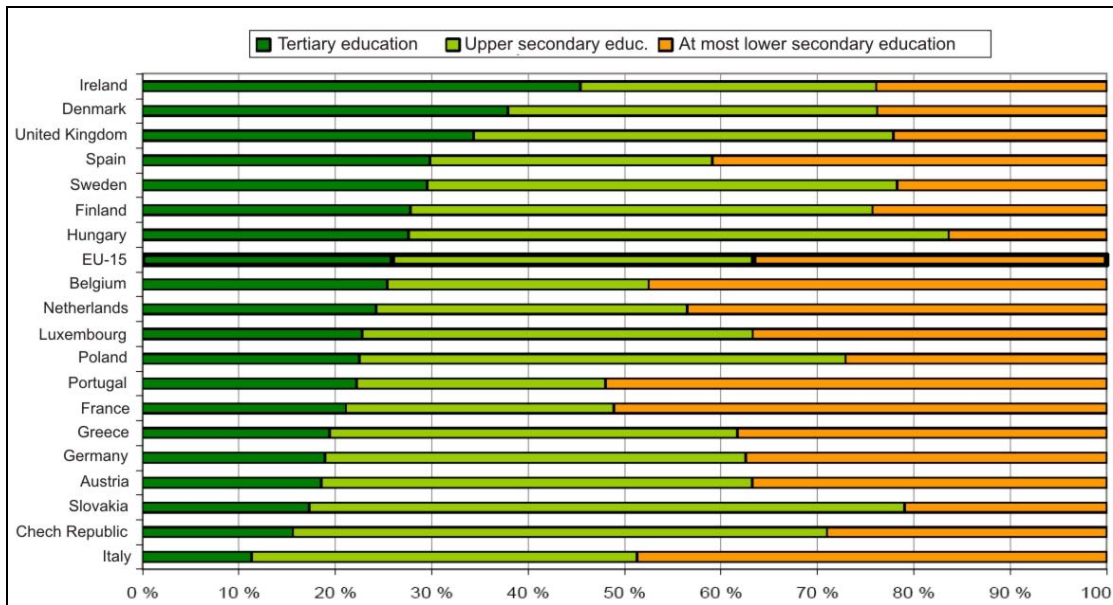
**Figure 4.3 - The age structure of the Finnish and immigrant population in Finland 2006**



Source: Heikkilä & Pikkarainen, 2008 p.45

The immigrant population in Finland is also well-educated by European standards. In 2003-2004 the average percentage of tertiary education in the immigrant population of the old EU countries was 25, whereas the corresponding figure in Finland was 28%. This is, however, a relatively low percentage for the Nordic countries. Denmark and Sweden have attracted a highly educated immigrant population of 37 and 29 percent, respectively (Figure 4.4). It is also important to notice that the education level of immigrants is significantly lower than the education level of the population as a whole (Kohonen, 2007 p. 8).

**Figure 4.4 - Distribution of the 24-64-year-old immigrants' educational backgrounds in the old EU countries in 2003-2004**



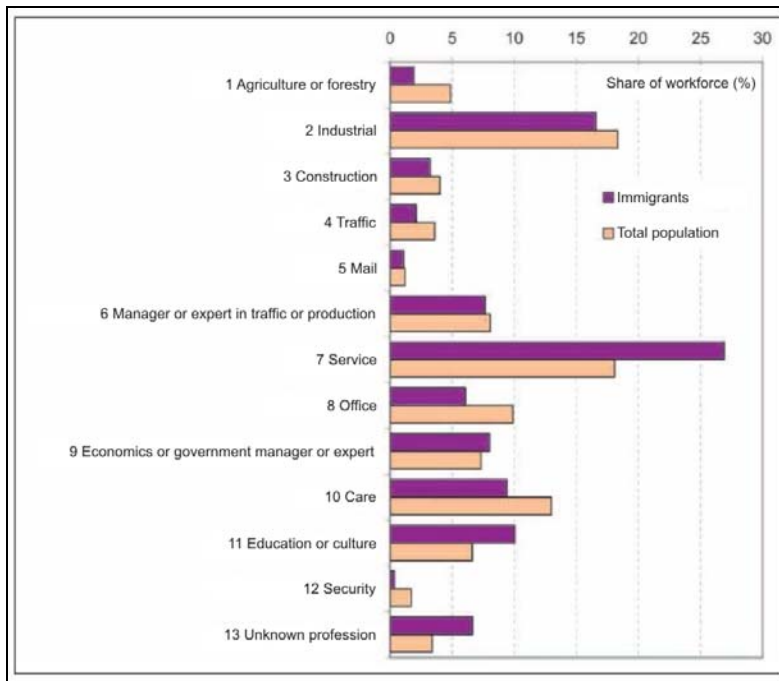
Source: Kohonen, 2007 p.17

The occupations of the employed immigrants differ markedly from the Finnish population in the education, cultural and service sectors. In 2000, 10% of the immigrant population worked in the education and cultural sectors, while the corresponding figure for the total population was 7%. This group consisted mainly of skilled Western immigrants from countries such as Sweden, Great Britain, Germany and the United States. The employment in the service sector (27% for immigrants and 18% for the total population) was more common among the non-Western immigrants (Heikkilä & Pikkarainen, 2008) (Figure 4.5).

## 4.2 National migration policy

Finland has a very short history of immigration by European standards, and entering the country was controlled rigidly until the 1990s. The first large-scale strategic Finnish migration policy was formulated by the national government in 1997. The policy programme was launched under the title “Immigration and refugee policy program”, reflecting the strong emphasis given to humanitarian immigration. The programme was strongly reactive, dealing mostly with the questions of rising numbers of asylum seekers and ethnically Finnish (Ingrian) groups from the former Soviet Union applying for status as “returning citizens”. Work-related immigration played only a minor part in the 1990s’ immigration strategies.

**Figure 4.5 - Employment by economic sector in the employed immigrant population and total population in Finland in 2000**



Source: Heikkilä & Pikkarainen, 2008 p. 16

In 2006, the government launched a new migration policy programme as a reaction to the rising demand of labour force and the growing alarm on the ageing of the population (Government..., 2006). According to Statistics Finland forecast to 2010-2030, the ageing will create an annual demand of 10 000 – 20 000 people in the labour force (Heikkilä & Pikkarainen, 2008, p. 21). The current government resolution of October 2006 sets out to fill this demand, and promotion of work-related immigration is placed in the central role. Particular interest is given to the skilled immigrants and families with children. The policy programme states (Government..., 2006, p. 3):

*”In Finland, the availability of labour is expected to become a problem more rapidly than in many other European countries. Ageing affects large groups in the working population. A shrinking labour supply also has regional implications. [...] Among other actions, work-related immigration will be fostered in response to this future dwindling workforce and shortfalls in knowledge and skills.”*

The strategy for encouraging the inflow of migrants includes actions combating the structural challenges, such as simplification of the permit systems and registration procedures, increasing cooperation with the countries of departure, promotion of immigrant entrepreneurship and researcher immigration and improving the study opportunities and immigrant housing policies. The programme includes the immigrants already present in the country. Besides the structural barriers for entering the Finnish labour market, there is also strong emphasis on social and cultural factors affecting quality of life. The programme includes actions such as promotion of multiculturalism and non-discrimination throughout the society, creating an integrated supply of cultural studies, supporting participation in the

communities and enhancing the integration of children through kindergartens and schools. (Government..., 2006). The national immigration programme deals with Finland's strengths and weaknesses for attracting and maintaining immigrants as follows (Government..., 2006, p. 4):

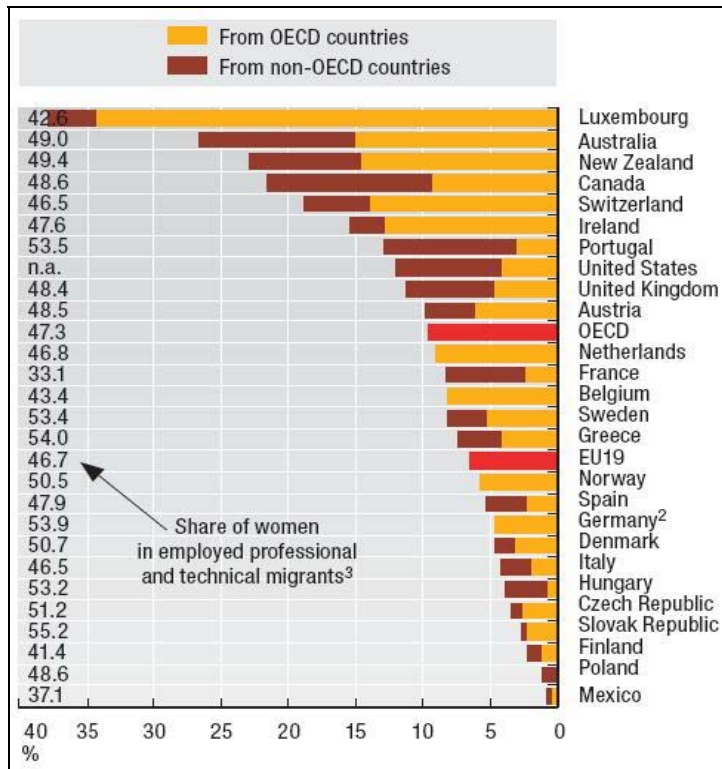
*“Finland has many pull factors when competing for mobile labour across borders. According to various reports, these factors include clean nature, general stability and safety, well-functioning public services, the recognition of international companies and a reasonable wage level. Foreign researchers and students frequently appreciate the high standard of Finnish educational institutions and research bodies and the opportunity to complete a degree or qualification in a mainstream international language. [...] However, these positive attributes are quite often overshadowed by other factors such as the difficult language, cold climate and high taxation, which are considered negative. This is why Finland’s pull factors must be made better known. This involves a need to increase the cooperation between various organisations, using existing networks and creating new networks. It is also important to communicate Finland’s pull factors to families with children, who are a major resource. Children learn the local language in day care centres and schools and often integrate much more easily than adults. Families develop closer ties with society, which in turn adds to the likelihood of their remaining in Finland.”*

### **4.3 “Brain gain” or “brain drain”**

Despite the positive net migration balance and relatively skilled immigrant profile, the net migration balance is still negative in the highly skilled migrant group. Finland, together with Poland and the Slovak Republic, belong to the small group of EU countries, where the outflow of skilled migrants exceeds the inflow (OECD Science..., 2007). In 2001, the percentage of employed professional and technical migrants was 2.5% in Finland (Figure 4.6), while 5.5% of employed Finnish professional and technical population resided outside the country (Figure 4.7).

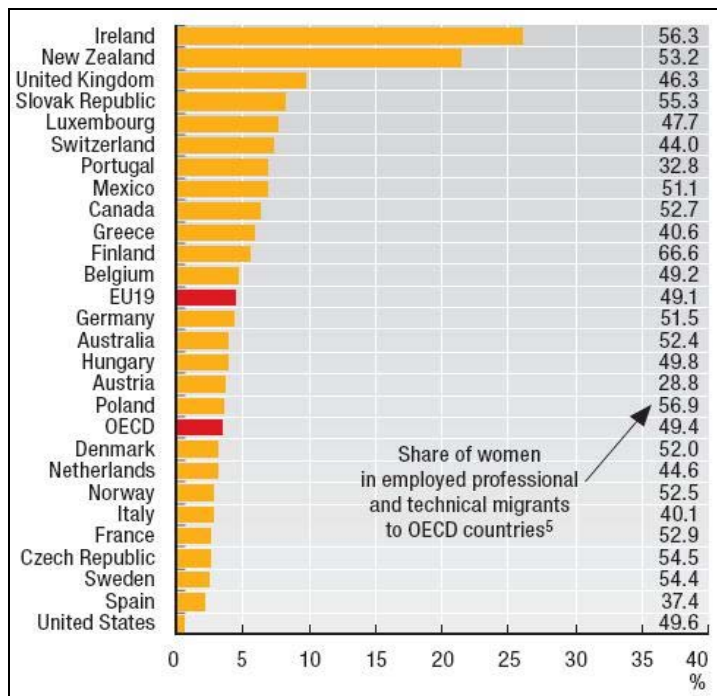
The same tendency is seen in the comparison of the educational profiles of the Finnish and immigrant groups in Finland. Although the working-age immigrant population in Finland is relatively well educated with 28% having tertiary education, the proportion is still lower than the natives' 34% (Kohonen, 2007, p. 8). Although some of this difference can be attributed to lack of data on the immigrants' educational level, as missing data is categorised as no education by the Statistics Finland, the difference still remains significant (Johansson, 2008). The problem is highlighted by the immigrants' trouble of entering the labour market and being employed according to educational qualifications (Kohonen, 2007). Even though the share of well-educated immigrants in Finland is above the Western European average, the actual employment rate for the group is below the average. In the old EU countries, 75% of immigrants with tertiary education are employed, while the corresponding figure for Finland is 70% (Figure 4.8). A further 20% of employed immigrants are estimated to be over-qualified for their tasks, while only 15% of native population belong in the same category (Kohonen, 2007, p. 24).

**Figure 4.6 - The percentages of employed professional and technical migrants in the OECD countries in 2000 and 2001 as a percentage of total employed professionals.**



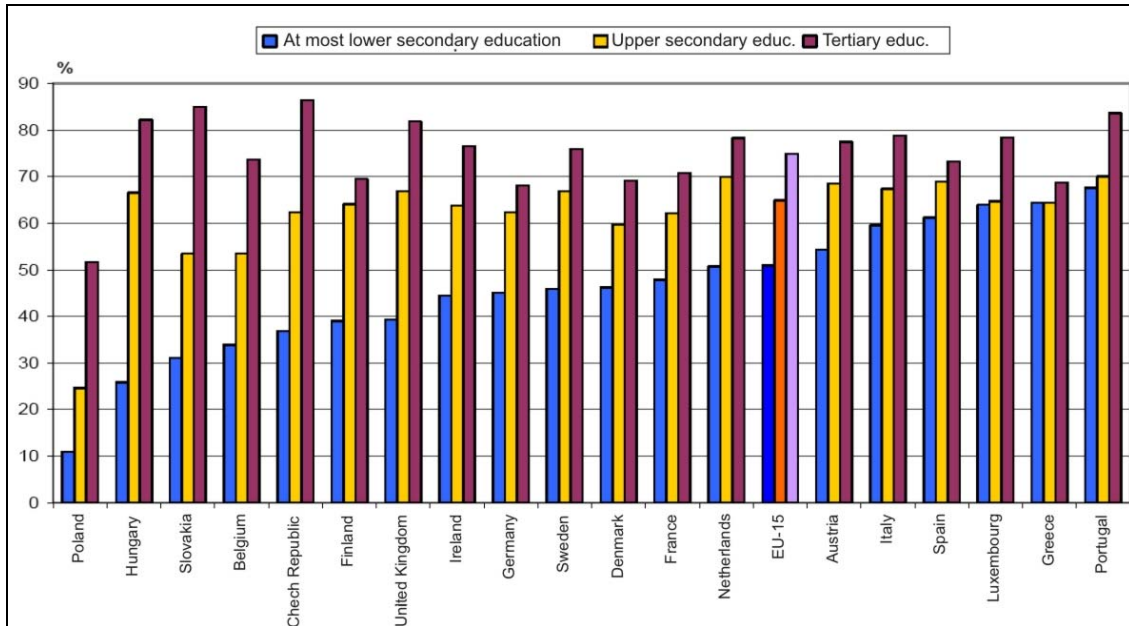
Source: OECD Science..., 2007 p. 53

**Figure 4.7 - OECD-born employed professional and technical migrants to other OECD countries as a percentage of total employed professionals and technicians in the country of birth in 2000 and 2001.**



Source: OECD Science..., 2007, p. 53

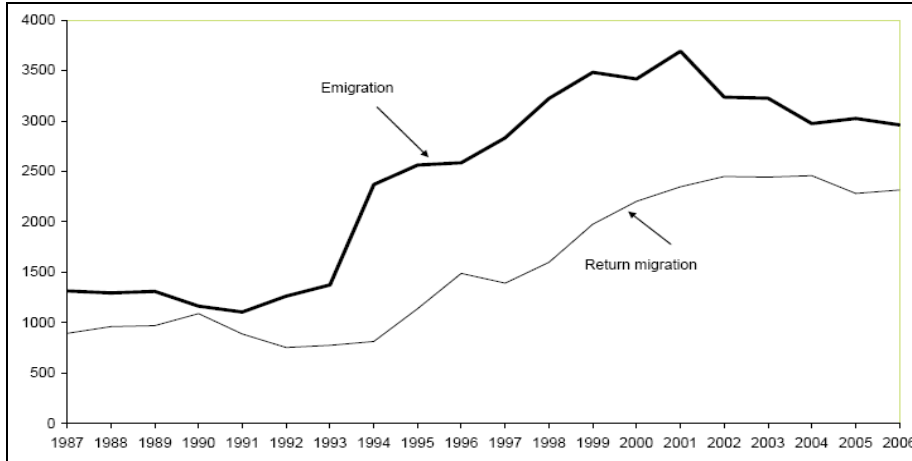
**Figure 4.8 - Employment rates for the working age immigrant population by level of education in European countries.**



Source: Kohonen, 2007 p. 24

As a whole, Finland does attract a noticeable number of skilled immigrants, but due to the lack of net immigration in the skilled group and the partial inability to take advantage of the immigrants' human capital, the net effect is brain drain (Johansson, 2008). This tendency is undoubtedly problematic for the country, especially considering the aging population and recruitment problems in several fields. As a positive tendency, the return migration rate for Finnish emigrants is relatively high, resulting in some degree of brain circulation or oscillating migration instead of pure brain drain (see Figure 4.9) (Johansson, 2008). Brain circulation can be seen as beneficial for the competitiveness of the economy (Lammasniemi, 2008; Sabel & Saxenian, 2008; Raunio, 2005). When skilled Finnish workers return to the country, they bring back new skills, perspectives and contacts. The Finnish skilled migrants also access new social networks abroad, possibly contributing to increased migration into Finland through processes of chain migration (Raunio, 2005). Although the remaining net brain drain is problematic, the process of circular migration is also one way of internationalising the Finnish economy and innovation system.



**Figure 4.9 - Migration and return migration of Finns with tertiary education 1987-2006**

Source: Johansson, 2008 p. 7

### Migration to Finland

- Growth of the immigrant population is a relatively new phenomenon in Finland: the share of immigrants remained constantly low until the 1990s, and only comprises a total 2.5% of the population.
- The immigrant population is relatively well-educated by European standards, but the education level is lower than the average immigrant education level in Nordic countries, and also lower than the education level of the native Finns.
- The net balance of migrants with tertiary education is negative: Finland is experiencing some degree of brain drain.
- The return migration of well-educated Finns is relatively common, resulting in oscillating migration or brain circulation besides the tendency for brain drain.
- The need for attracting immigrants and supporting their integration to the labour market is considered of great political importance, since the ageing of the population and the economic growth and structural shifts have resulted in serious shortage of labour.

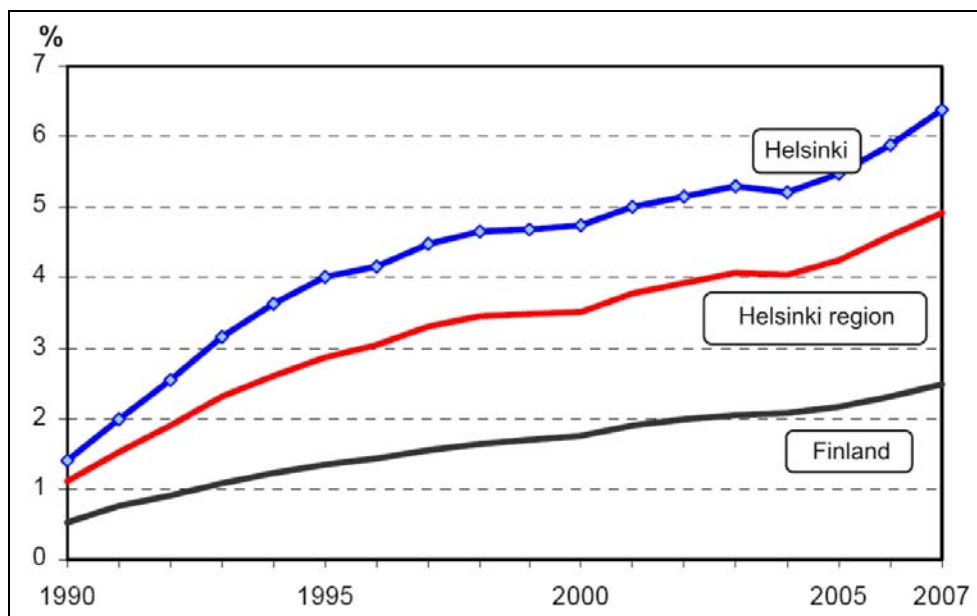


## 5 MIGRATION IN THE HELSINKI METROPOLITAN AREA

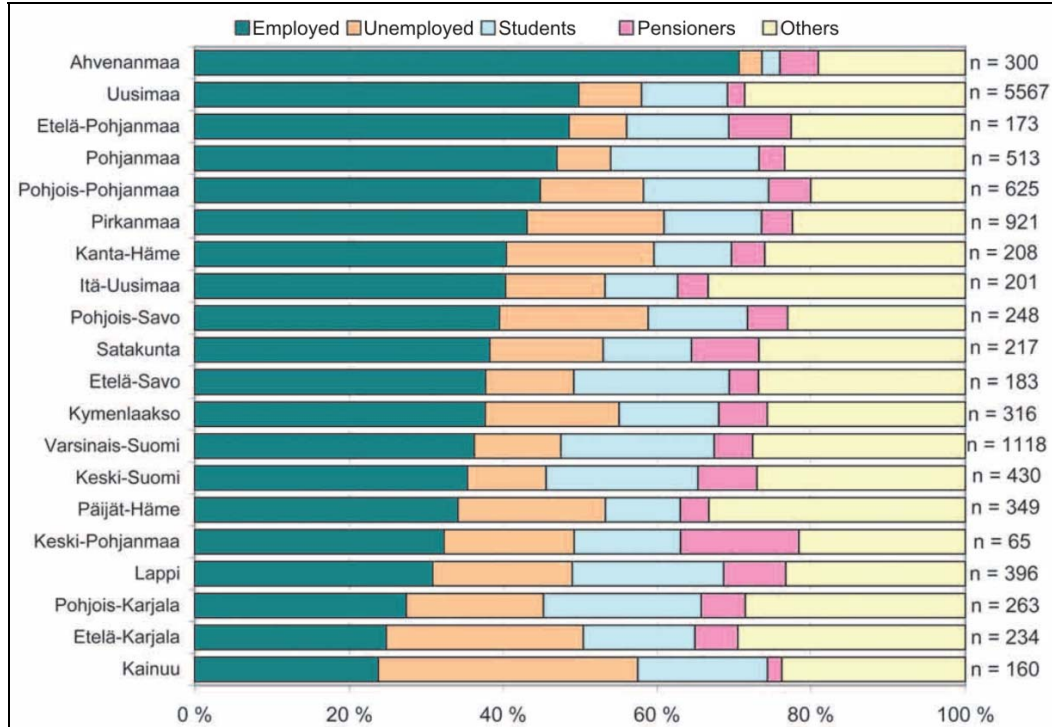
### 5.1 The profile of immigrants in the Helsinki metropolitan area

The vast majority – 85% – of immigrants in Finland are settled in urban areas. The Uusimaa region, which includes the Helsinki region, has constantly attracted the largest share throughout Finnish immigration history. Almost half of the immigrants entering the country settle in the Uusimaa region, and the majority of them choose the Helsinki metropolitan area (Heikkilä & Pikkarainen, 2008) (Figure 5.1). This reflects the region's good employment opportunities: the 50% employment rate among recently arrived immigrants in the region is the highest in the country. The only region where the relative employment rate of recently arrived immigrant population is higher than in Uusimaa is the Swedish-speaking Ahvenanmaa (Åland), which attracts a small and easily employed population of Swedish citizens (Figure 5.2).

Image 5.1 - The share of immigrant population in Helsinki, the Helsinki region and Finland in 1990-2007

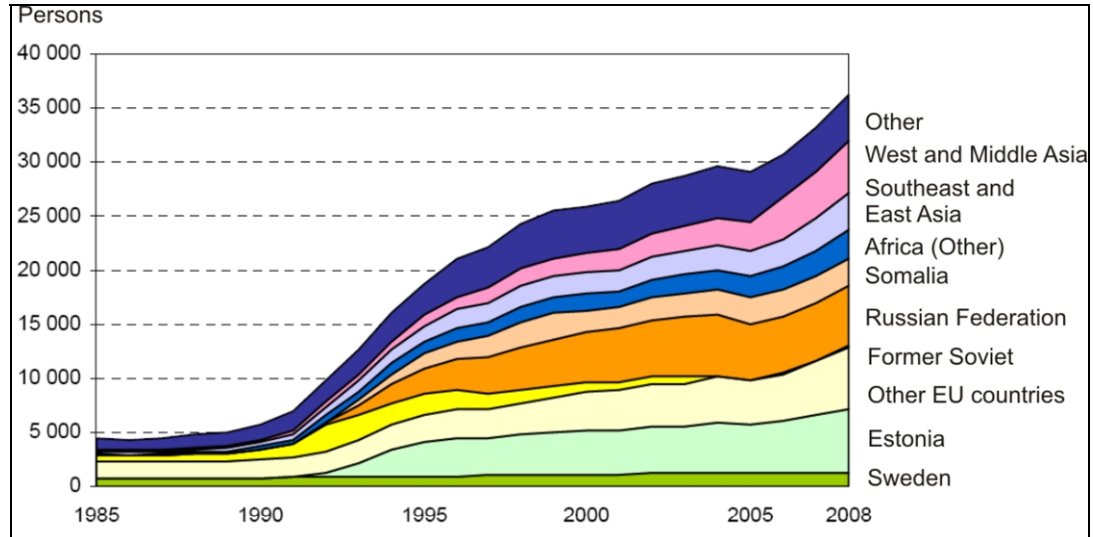


Source: *Helsingin...*, 2008 p.4

**Figure 5.2 - Immigrants' occupation in the first year after immigration by region in Finland, 2002**

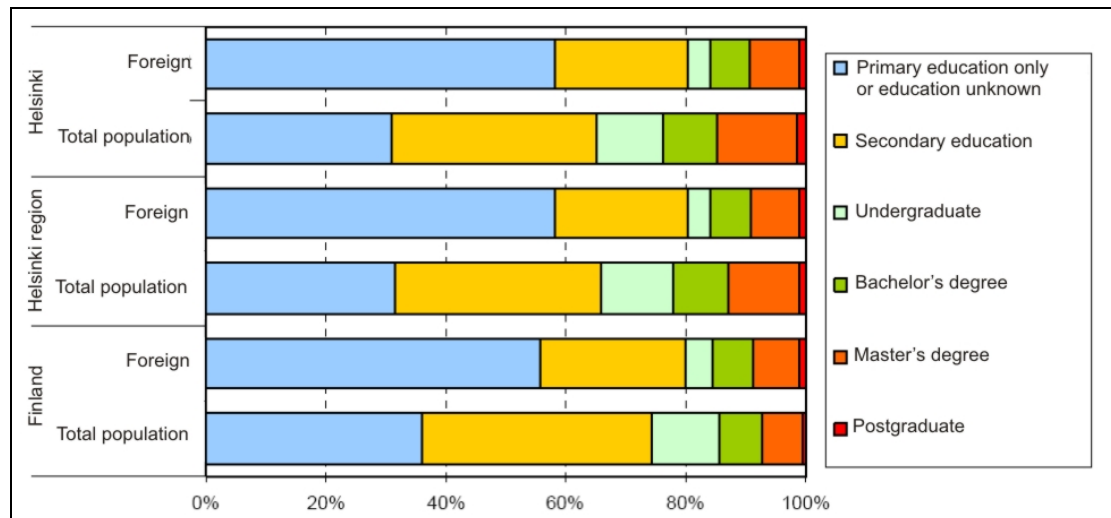
Source: Heikkilä & Pikkarainen, 2008 p. 52

The migration flow between the Helsinki Metropolitan Area and the rest of the country is also strong. In 2007, both the national inflow and outflow into and away from Helsinki alone was 2000 people (Helsingin..., 2008). The Helsinki Metropolitan Area acts both as the entering point and the collecting node of the immigrant population in the country. The result is a varied mix of foreign population in the area. As well as containing the largest share of international experts, the area has the largest refugee population in the country, exceeding the numbers of asylum seekers initially assigned to the area (Helsingin..., 2008). For example, half of the Somali population in Finland live in Helsinki alone (Helsingin..., 2008). Figure 5.3 shows the immigrant groups in Helsinki by nationality through 1985 to 2008.

**Figure 5.3 - The immigrants in Helsinki by nationality in 1985-2008**

Source: *Helsingin...*, 2008 p. 7

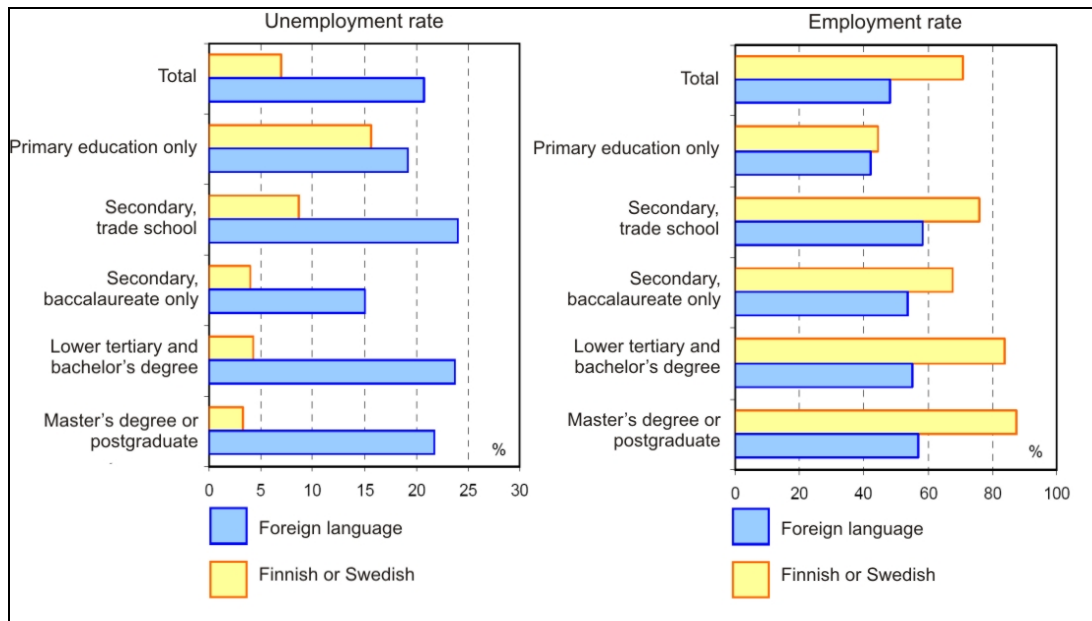
The attraction of Helsinki Metropolitan Area at both ends of the immigrant population scale results to an educational structure closely resembling the national average for immigrants. The share of immigrants with tertiary education was 16% in 2006 at all scales: Helsinki, the Helsinki region and the whole country (Figure 5.4).

**Figure 5.4 - Immigrants in Helsinki, the Helsinki region and Finland by level of education in 2006**

Source: *Helsingin...*, 2008

The labour market situation varies greatly between different immigrant groups. On one hand, the immigration from other EU countries, North America and Australia is strongly work-related, and the labour market situation of the immigrants in these groups is generally good. In 2006, the unemployment rate of the population of Norwegian, Danish, Icelandic and Australian origin was below the total national average of 7.7%. Other groups of Western origin also had unemployment rates of less than 10%. On the other hand, the labour market situation in the Helsinki metropolitan region is particularly difficult for less skilled groups of African and Middle-Eastern origin. The unemployment rates for these groups were roughly 40% and 37% in 2006, respectively. The net unemployment rate for all immigrants was 21% in 2007. Difficulties of entering the labour market due to language difficulties, problems of transferability of qualifications and employer attitudes create the similar waste of educational capital as noted for the whole country (Heikkilä & Pikkarainen, 2008). In 2007, 22% of immigrants with tertiary education in Helsinki were unemployed (Figure 5.5).

**Figure 5.5 - Employment and unemployment rates of the immigrant and Finnish population by level of education in Helsinki, 2007**

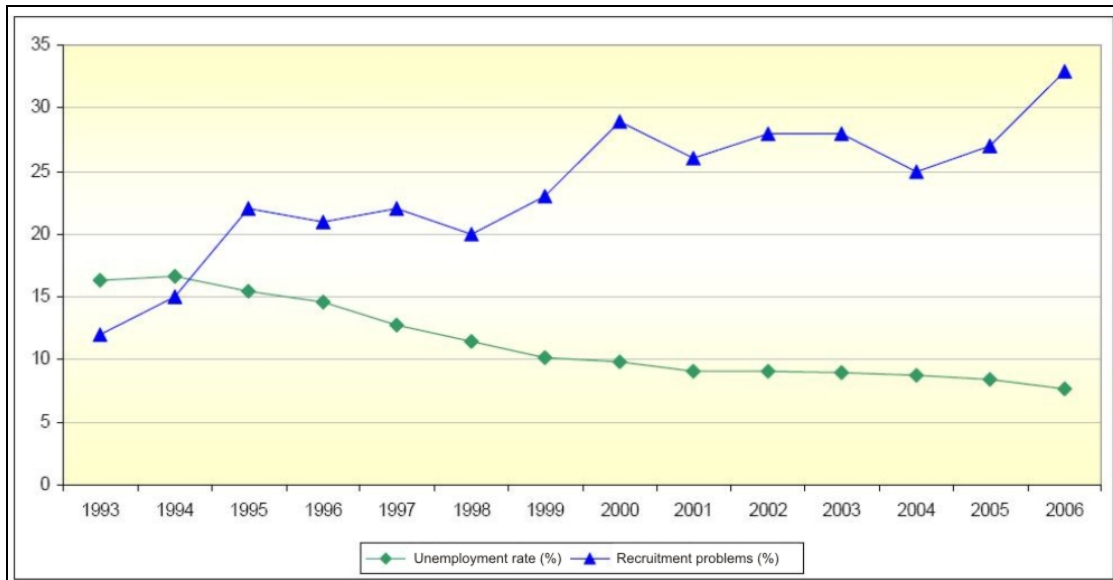


Source: *Helsingin...*, 2008 p. 24

## 5.2 Migration policy in the Helsinki metropolitan area

The ICT-driven industries and the national and EU research and government functions located in the Helsinki Metropolitan Area have a strong need for attracting an international labour force, especially since the mobility of skilled Finnish workers is high. The other sectors experiencing an exceptional shortage of labour in the area are the services, transportation and health sectors (Hämäläinen & Tuomaala, 2007). The shortage of labour and recruitment problems have been intensifying in the past years, and the situation is expected to develop even tighter in the future mainly due to the ageing of the population and structural changes in the demand for labour (Hämäläinen & Tuomaala, 2007) (Figure 5.6).

**Figure 5.6 - Unemployment rate and recruitment problems (employees experiencing continuously unfilled positions) in Finland, 1993-2006**



Source: *Hämäläinen & Tuomaala, 2007 p. 5*

The Helsinki metropolitan area, driven by the city of Helsinki, has been relatively active in developing immigration strategies and creating networks with other Finnish and European cities. The most recent act in the local immigration strategy has been the formulation of an independent, local immigration policy for the city of Helsinki (Leiponen, 2008). This work is currently under progress and the preliminary draft document was finished in the end of 2008. The policy draft states the need for work-related immigration as one of the two key factors in the immigration policy, the other key factor being enhancing the integration and education of the existing immigrant population. The need for skilled workers – especially in the ICT sector – is stated as one of the main priorities (Leiponen, 2008, p. 14).

The immigrant policy issues are also included in the local innovation strategies. The latest innovation strategy, from 2005, was developed as a part of the strategic cooperation plan between the independent municipalities of the Helsinki metropolitan area (Laurila, 2005). The strategy has been formulated together with multiple partners from local universities and research institutions to major business organisations in the area. The key priorities in the cooperation plan are defined as enhancing the international attractiveness of the research and expert sector, building new R&D clusters, developing new service concepts in the public sector, supporting innovations and developing the area as a more attractive place to live, study and work. The goal of the local immigration strategy is purely to attract skilled migrants, due to the economic structure and the labour market demand of the area.

The main part of the strategic plan dealing with immigration is enhancing the attractiveness of the research and expert sector. One of the central plans is to try to attract more foreign students – and researchers – through building more international study programmes, creating tighter networks with other universities and by lowering the threshold for settling permanently into the region after graduation from studies. Until recently, the heavy bureaucracy related to

changing study permits to work permits combined with language skill demands on many sectors has been a barrier to the transition from studies to work (Laurila, 2005).

Another key point from the immigration perspective is developing the quality of life in the area through supporting “creative environments”. This concept is rather vaguely developed, being defined only as referring to the three urban environments of housing, working and leisure and culture. The concrete suggestions in this section include actions such as creating new types of housing into old docklands and industrial areas, investing into the culture production and developing the international schools for the migrant families.

#### **Migration to Helsinki**

- The immigrant population is about 7% in Helsinki.
- Helsinki has attracted a varied mix of immigrants, including a nationally significant share of humanitarian immigration and work-related immigration.
- The education level of immigrants in Helsinki is about the average for the whole country and lower than the education level of the native population
- The integration of immigrants to the labour market is still inadequate: unemployment is common in the immigrant group, and 22 % of immigrants with tertiary education are currently unemployed.
- Helsinki, as well as the whole of Finland, is experiencing labour shortage and ageing of the population.
- Helsinki is currently preparing a regional immigration policy, which focuses on encouraging work-related immigration and developing more efficient integration services.



## 6 RESEARCH DESIGN AND METHODOLOGY

The purpose of this research is to investigate the attractiveness of Metropolitan Helsinki from the viewpoint of highly skilled migrants living and working in the area. “Highly skilled migrant” is defined as a person having at least a higher university degree, or working in a position that requires special skills and knowledge. We are interested in the drivers behind the migrants’ decisions to migrate, and especially the importance of the location factors. Essential issues were also their satisfaction with their current life and work situation in Helsinki Metropolitan Area and their future plans.

For this work package, a qualitative research approach was used. We conducted 25 guided, semi-structured interviews with highly skilled migrants living and working in the Helsinki Metropolitan Area. In addition, we interviewed five experts in immigration issues, especially focusing on the situation of the highly skilled migrants in Helsinki. The representativeness of an interview research is not the same as for a survey, but interviews provide more in-depth knowledge and a real chance to understand the motives behind the migrants’ decisions.

First we will present the methods used for the interviews, and after that we will focus on the structure of our sample of 25 highly skilled migrants.

### 6.1 Guided interviews and expert interviews

#### 6.1.1 *Guided interviews*

To learn about the highly skilled migrants’ opinions on living and working in Helsinki, we did 25 guided, semi-structured interviews. These interviews form the primary empirical data of this research.

To find the interviewees, we used various methods. We found the first interviewees through our own professional and personal contacts, based on suggestions from the experts we interviewed. Some suggestions were also received from managers interviewed in the previous work package (ACRE WP6). The screened interviewees had to meet certain pre-formulated criteria and form a balanced sample, so many of the suggested persons were not contacted at all. It was actually fairly difficult to find 25 suitable interviewees. The selection criteria and structure of the sample will be presented in the next chapter. In most cases, the interviewees were approached by email. The first interviewees provided more contact details, and we contacted the persons suitable for our sample. Overall, contact networks and selective snowballing were used to find the interviewees. Among those contacted, the research received a very positive response; no one refused to be interviewed, and only a few emails were left without reply.

The objective of the interviews was to understand the drivers behind the decisions of the skilled migrant to settle in the Helsinki Metropolitan Area. Especially important was to find out the importance of the location-specific factors in the decision making process. Why did the migrants choose Helsinki? Another important subject of the interviews was the migrants' satisfaction with their life in Helsinki, and what kind of plans they have for their future. A common topic outline for the interviews was provided for all the ACRE teams. In general, we followed the guideline, but rearranged and reformulated the questions slightly and added some questions especially designed for the Finnish framework (Appendix 1).

The interviews covered four themes:

**Background:** This section examined the migrant's professional and personal background. Special focus was on the career steps before moving to Helsinki.

**The move to Helsinki:** Here we focused on the migrant's motivation to come to Helsinki. We asked about the pull and push factors which affected the decision to migrate. We also wanted to track down what kind of images and knowledge the migrants had on Helsinki and Finland before moving.

**Life in Helsinki:** This was the most wide-ranging part of the interviews. We learned about the migrant's first months in Helsinki, how easy or hard it was to settle in, and what kind of support was available. We talked widely on work-related issues, focusing especially on the satisfaction with current work situation. Housing was one of the most important aspects of living in Helsinki, and this subject was discussed extensively. We also learned about the migrants' free time interests and social life. Lastly we asked about the migrants' general views on Helsinki, covering topics such as bureaucracy, quality of life, and attractiveness of the city. In this part, particular attention was paid to the migrants' view on the "soft" factors in the city, and how relevant they were.

**Future plans:** The last theme focused on the migrants' future plans and how Helsinki was ranked among other options.

We also asked the migrants to grade their apartment, neighbourhood and Metropolitan Helsinki on a scale of 1-10, one being the lowest and ten being the highest. This grading and the explanations the interviewees gave for the grades summed up the interviewee's opinions and usually gave a clearer picture of his/her views. After the interview, we asked the interviewee to fill in a background information form (Appendix 2) and a short questionnaire, which included two questions from a previous survey (ACRE WP5, Appendix 3), where we interviewed Finnish creative knowledge workers. By doing this, we wanted to be able to make some comparisons between the opinions of international and domestic skilled workers.

The majority of the guided interviews were conducted between September and November 2008. It is worth knowing that some of the interviews took place before the financial crisis hit Europe and Finland on a large scale. However, we have not noticed that this would have affected the outcome of the interviews in a particularly significant way. The interviews lasted between 40 and 120 minutes, and usually there were two interviewers. The majority of the

interviews were conducted at a café or at the interviewee's workplace. All the interviews were recorded and transcribed. One interview was conducted in Finnish, all others in English.

### 6.1.2 Expert interviews

To complete the assumptions based on the migrant interviews, we conducted five expert interviews with professionals who have special knowledge on migrant issues in the Helsinki Metropolitan area (Table 6.1).

Representing the City of Helsinki, we interviewed two officials. Annika Forsander is the director of immigration affairs in the newly established department of immigration. She has worked as a researcher and has published studies on immigrants in Finland and their position in the Finnish labour market. Other represent of the City of Helsinki was Henni Ahvenlampi, who works as a relocation advisor in the Chemicals Agency Project. The European Chemicals Agency was founded in Helsinki in 2007, and it employs both Finnish and migrant workers. Relocation services help migrants with various issues related to settling in Helsinki, such as using the city's services.

From the private sector, we interviewed two relocation experts. Jutta Evokari works as the leader of the relocation team of Vuokraturva real estate agency. They provide apartments to migrant workers, usually commissioned by the migrants' employers. Marjo Lautjärvi is the managing director of Finland Relocation Services, a relocation company whose clients include large multinational companies, such as Nokia and Philips. Finland Relocation Services has been in business since 1994 and their services are tailored by the wishes of their clients, including for example finding a home, dealing with the bureaucracy and giving cultural coaching.

**Table 6.1 - Expert interviews**

Expert	Organisation	Title
Annika Forsander	City of Helsinki	Director of immigration affairs
Henni Ahvenlampi	City of Helsinki	Relocation advisor
Jutta Evokari	Vuokraturva (real estate agency)	Relocation services agent
Marjo Lautjärvi	Finland Relocation Services	Managing director
Paul Brennan	Jolly Dragon (social network)	Founder and director

Fifth of our expert interviewees was Paul Brennan, the founder and director of Jolly Dragon, which is an international social network founded in Helsinki in 2004. The mission of Jolly Dragon is to bring different people together through various activities and hobbies. It was based on the need coming from the immigrants living in Helsinki who were having difficulties in creating a social life. There are somewhat 2,000 registered members in Jolly Dragon.

The interview questions were customised for every expert to cover their particular field of expertise. Three of the five interviews were conducted at the experts' workplaces, one in a restaurant and one at the University of Helsinki. The interviews lasted between 50 and 90 minutes, and they were all recorded and transcribed. The expert interviews were conducted in Finnish except for one that was conducted in English.

The expert interviews gave us precious insights to the official and non-official features of migration in Helsinki. They also gave affirmation to many of our views on the results of the migrant interviews.

## 6.2 Structure of the sample - highly skilled migrants

When choosing the skilled migrants for the interviews, we aimed for a balanced sample considering the nationality, sex, age, household type and working sector of the interviewees. The interviewees had to be employed in creative or knowledge intensive sectors, with a balance between creative and knowledge intensive occupations. Considering the knowledge-based profile of Helsinki, and the strong representation of the ICT industry in the Helsinki region, we decided to focus more on the knowledge workers. Nine out of 25 interviewees were women. Generally, the majority of highly skilled migrants are men, so the representation of women in our sample was sufficient. We also had a mix of migrants sent by their companies and other migrants who came on their own; and a mix of people living in the inner city and living outside of the centre in the metropolitan region. The migrants' length of stay in Helsinki also varied quite a lot. The newest arrivals in our sample had been in Helsinki only 4 and 5 months, whereas one person had lived in the city already for 17 years.

In the following section, we will look more closely the structure of the sample, theme by theme. Table 6.2 presents a brief description of our interviewees.

**Table 6.2 - Summary of the structure of the sample**

	<b>Origins</b>	<b>Decade of birth</b>	<b>Gender</b>	<b>Sector of work</b>	<b>Title</b>	<b>Length of stay</b>	<b>Household type</b>
1	Europe (EU)	1970's	male	higher education	post doc researcher	less than a year	Single
2	Europe (EU)	1970's	male	ICT	software engineer	2 years	couple with children
3	North America	1970's	male	music	Composer	7 years	couple
4	Europe (EU)	1960's	male	ICT	software engineer	9 years	couple with children
5	Europe (non-EU)	1980's	female	higher education	PhD candidate	2 years	Single
6	Europe (EU)	1970's	male	ICT	senior manager	8 years	couple with children
7	Europe (EU)	1970's	male	ICT	IT project manager	3 years	couple with children
8	Europe (EU)	1970's	male	ICT	IT analyst	7 years	couple with children

9	Europe (EU)	1970's	male	ICT	project manager (IT consulting)	7 years	Single
10	Europe (EU)	1960's	male	music	musician, part-time cleaner	2 years	couple
11	North America	1960's	male	higher education	professor	2 years	Single
12	Europe (EU)	1970's	female	design	design specialist	1 year	single
13	Asia	1970's	female	higher education	research associate	1 year	couple
14	South America	1970's	female	design	PhD candidate, freelancer/consultant	7 years	couple
15	Europe (non-EU)	1980's	female	higher education	research assistant	2 years	single
16	Europe (EU)	1970's	female	ICT	senior test designer	6 years	couple
17	Europe (non-EU)	1980's	female	marketing and business consultancy	internal auditor, consultant	2 years	other
18	South America	1970's	female	design	entrepreneur	10 years	couple
19	North America	1970's	male	music	professor	less than a year	single
20	North America	1970's	male	marketing and business consultancy	marketing director	1 year	single
21	Europe (EU)	1970's	male	ICT	software architect	8 years	single
22	Asia	1970's	female	marketing and business consultancy	senior marketing manager	8 years	couple
23	North America	1950's	male	higher education	senior research scientist	19 years	couple with children
24	Africa	1980's	male	higher education	PhD candidate	2 years	other
25	Europe (EU)	1970's	male	ICT	scrum master, software engineer	9 years	couple

## Nationality

The majority of the interviewees were from Europe (15), specifically from the member countries of European Union (13) (Table 6.3). In our classification, Russia is included in European countries. In addition to Europeans, North Americans (5) are well represented in the sample. We also had a few interviewees from the continents of Asia (2), South America (2) and Africa (1).

We wanted the nationalities in our sample to represent Finland's highly educated immigrants as closely as possible. The reason for this was to construct a more realistic profile of the migrants who are most likely to move to Helsinki. With this aim, we had some difficulties. The major immigrant groups in Helsinki (by foreign nationality) are Russians, Estonians, and Somali. Our sample does not include Estonians or Somali. A major part of the Somali population in Finland has immigrated for humanitarian or family reasons, their employment

rate is relatively low, and they are seldom employed in highly skilled jobs (Helsingin ulkomaalaisväestö..., 2008). The majority of the migrants in the sample come from other EU countries and North America, and the migration from these origins has been strongly work-related (Heikkilä & Pikkarainen, 2008). The sample would be more balanced if it included Estonians, but otherwise the nationalities in the sample can be considered relatively representative.

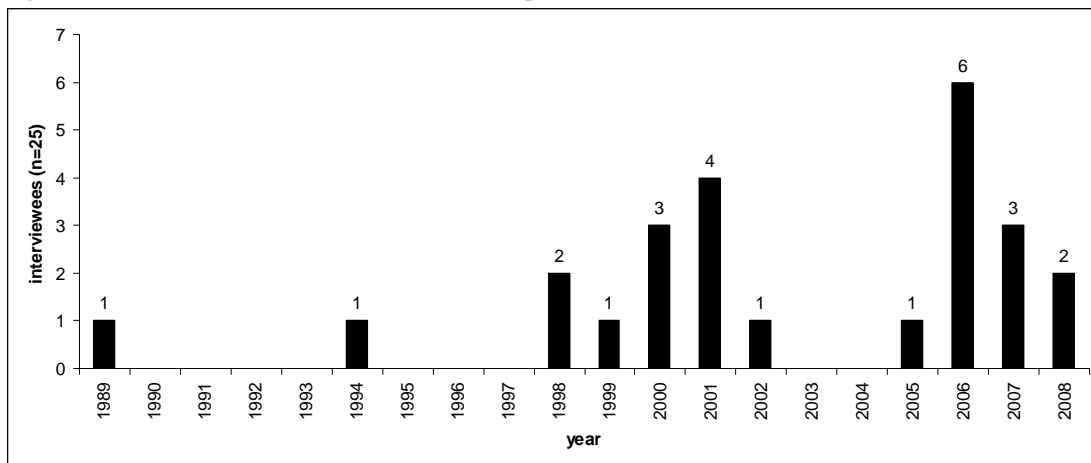
**Table 6.3 - Origins of the skilled migrants in the sample**

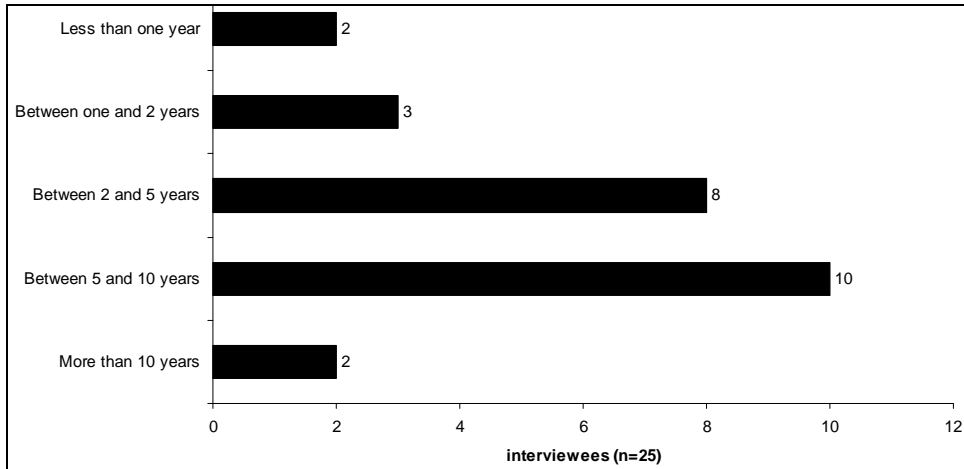
Continent	Citizenship(s)	Continent	Citizenship(s)
<b>Europe (15)</b>	<b>EU:</b>	<b>North America (5)</b>	Canadian (2)
	British (4)		American
	Irish (2)		American/Finnish
	Romanian (2)		American/Turkish
	Hungarian		<b>South America (2):</b>
	Portuguese	Mexican	
	Spanish	<b>Asia (2):</b>	Indian
	Austrian		Japanese
	<b>Non-EU:</b>	<b>Africa (1):</b>	Ethiopian
	Russian (2)		
Swiss/Italian			

**Arrival in Finland**

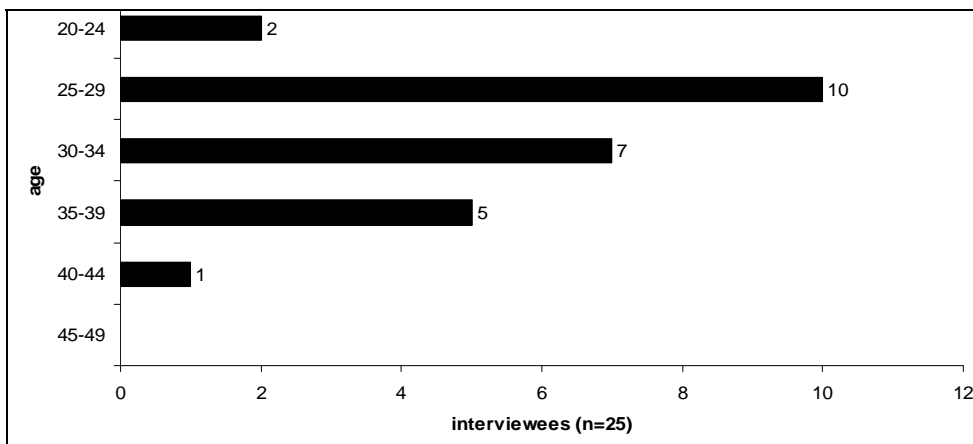
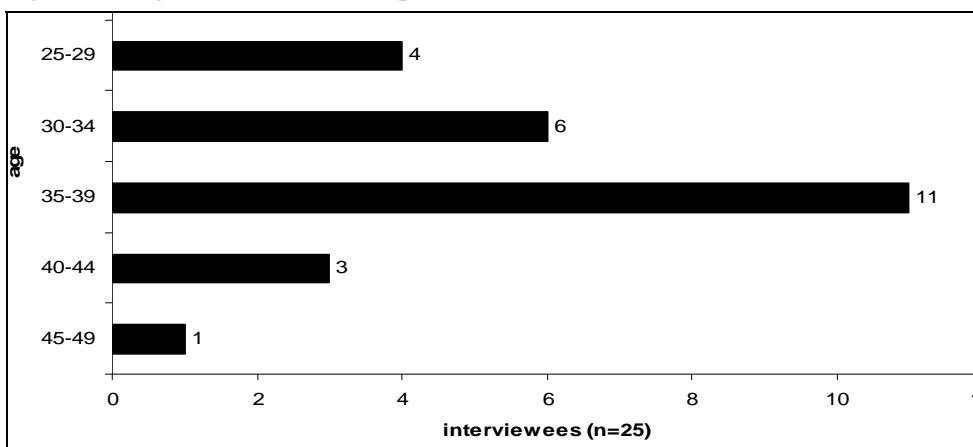
A majority of our interviewees (20) had moved to Finland in the 2000’s, six of them during the year 2006. Newest arrivals had come during the same year as the interviews were held (2008), and the oldest arrival was in 1989 (Figure 6.1). We had a versatile sample considering the length of residence in Finland (Figure 6.2). Roughly half of the interviewees had been in Finland less than five years, and the other half more than five years. Only two interviewees had lived in Finland more than ten years.

**Figure 6.1 - Year of arrival in Finland in the sample**



**Figure 6.2 - Length of residence in Finland in the sample**

Most of our interviewees had moved to Finland when they were in their 20's (Figure 6.3). This is the age when people are most mobile, and may not have families yet, making it easy to move around. Only one of the interviewees was over 40 years old when he moved to Finland. From our sample, the average age when moving to Finland was 30.

**Figure 6.3 - Age when moving to Finland in the sample****Figure 6.4 - Age structure in the sample**

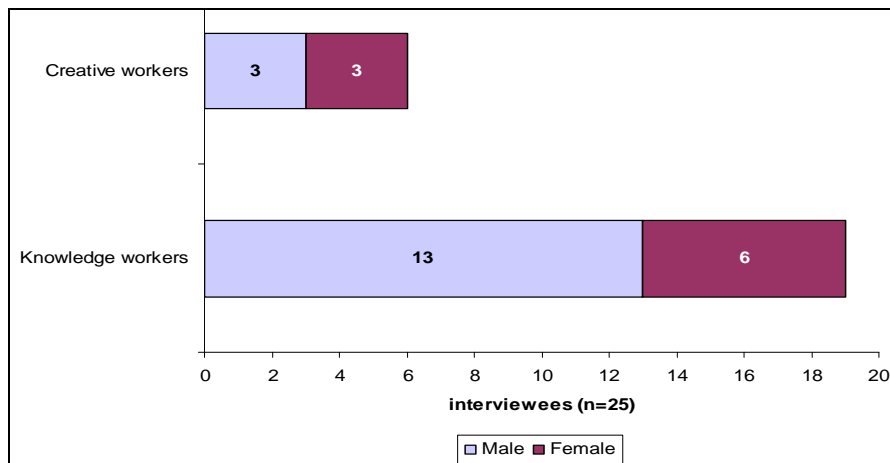
## Age

With one exception, all of our interviewees were under 44 years old. The majority of the interviewees were in their 30's (Figure 6.4). The oldest interviewee was 49 years old and the youngest was 26 years old. The age structure in the sample is representative of the real immigrant population in Finland, where the age groups from 20 to 45 are strongly overrepresented (Kohonen, 2007).

## Gender

The sample includes 16 men and 9 women. The creative worker's group consist of three women and three men, and this group is well balanced. In the knowledge worker's group, women are in the minority (Figure 6.5).

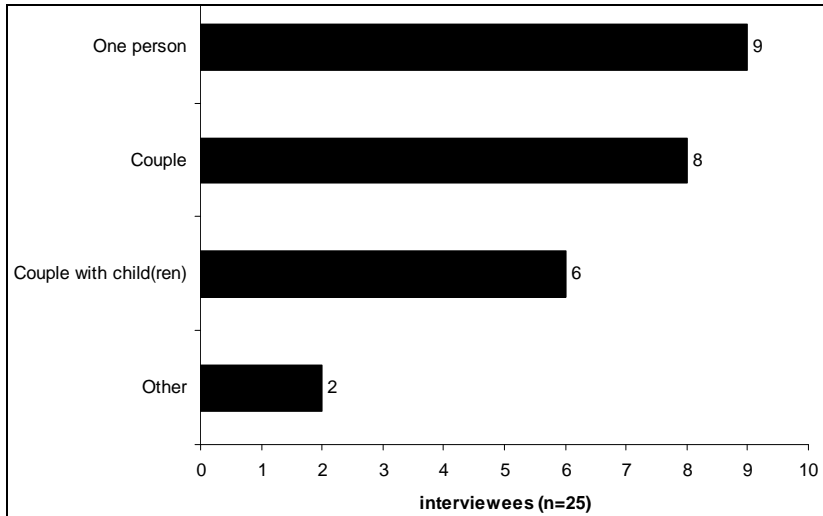
**Figure 6.5 - Gender ratio in the sample**



## Household

A majority of the interviewees lived by themselves or with a partner (Figure 6.6). Six interviewee households were families with children. Some of the interviewees had moved to Finland with their family, others had founded their family while living in Finland. One person lived in a student apartment with two roommates, and one with her mother who was also working in Helsinki. The household structure is partly explained by the young age of the interviewees. In addition, single people are more likely to migrate.



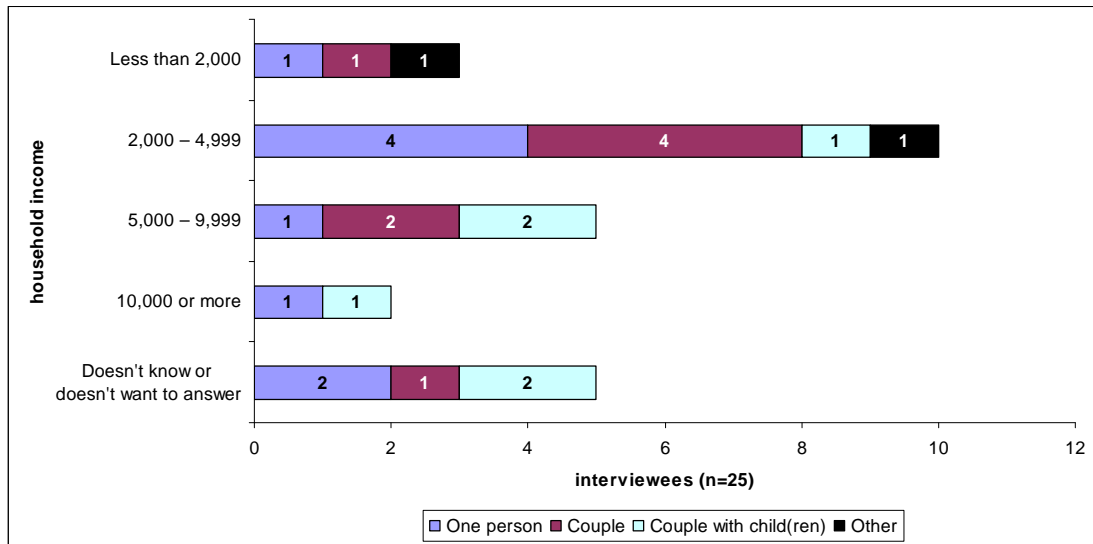
**Figure 6.6 - Household structure in the sample**

### Education

As planned, our interviewees were highly educated people: every interviewee had a university degree. Majority of them (14) had a master's degree; four interviewees had a bachelor's degree. There were seven migrants with doctorates in the sample.

### Income

One fifth of the interviewees did not know or did not want to report their monthly household income (Figure 6.7). Of the others, the majority earned between 2,000 and 4,999 Euros (before tax) per household per month. The comparability of the incomes is difficult, because some of the households included one adult, others two adults. Three of the interviewees lived in a household that earned less than 2,000 Euros monthly. These included one single household, one couple and one interviewee living with roommates. Two of the interviewee households earned over 10,000 Euros per month. Of these, one was a single household, the other a family with children.

**Figure 6.7 – Monthly household income before tax and household type in the sample**

### Employment features

Based on their descriptions on work contents, the skilled migrants can be divided into “creative” and knowledge workers (Table 6.4). Six people worked in “creative” sectors, more precisely in the fields of music and design. The knowledge workers included 19 people working in the ICT, higher education, marketing and business consultancy. The categorisation of professions and economic sectors as “creative” is clearly difficult. For example, in previous stages of the ACRE research we have included software in the “creative” industries. In this report however, software workers (4 migrants) are for clarity in the same category as other ICT workers, and therefore counted as knowledge workers in this sample.

Following the ACRE definition of the knowledge intensive sectors (Musterd et al., 2007; Kovács et al., 2007, p. 20-21), there is representation missing in our sample in the field of finance. The finance sector in Finland has a national character, with not many non-Finnish speakers working in that sector. On the other hand, the ICT industry in Finland is still an attractive field for many foreigners, which is why we chose to include quite many interviewees in this particular field.

The creative workers’ employers included corporations and universities; many of them were also self-employed selling their skills as freelancers. All except one ICT worker were employed by large sized, international corporations. Researchers and scientists worked in various, mostly technological fields at universities, two of them working in the field of biotechnology, which is a relatively strong international field in Finland.

**Table 6.4 - The working sectors and titles of the skilled migrants in the sample**

<b>Sector of work</b>	<b>Title</b>
<b>Creative workers (6)</b>	
Music (3)	Composer musician, part-time cleaner
Design (3)	professor design-specialist PhD candidate, freelancer/consultant entrepreneur
<b>Knowledge workers (19)</b>	
ICT (9)	software engineer software engineer senior manager IT project manager IT analyst project manager (IT consulting) senior test designer software architect scrum master, software engineer
Higher education (7)	post doc researcher PhD candidate professor research associate research assistant senior research scientist PhD candidate
Marketing and business consultancy (3)	internal auditor, consultant marketing director senior marketing manager

In the sample, 13 people had international work experience before moving to Finland (had worked in a country or countries other than their country of origin). Usually they had worked in one or two foreign countries; only two persons in the sample could be described as “global nomads”, having worked in several countries around the world. Included in this group were people who had also lived or studied abroad, a total of 18 interviewees had international experience of living abroad before coming to Finland. Some of the interviewees had lived in a foreign country as a child; some had family roots in another country where they were not raised. One person had studied abroad before coming to Finland. Seven of the interviewees didn’t have experience of living, working or studying abroad; Finland was their first foreign country to live in. Three of these seven interviewees were from the new EU member countries in Eastern Europe, and they came to Finland for better salaries and career opportunities. Of the others, two were Russian, one was Colombian and one Portuguese.

Five of the interviewees (fifth of the sample) had changed jobs during their stay in Finland. All but one of these five people worked in the field of ICT, where there is demand for workers, and the migrant workforce is also hired more commonly than in other “highly skilled” fields, partly because Finnish language skills are not necessarily needed in daily work. From the stories of these interviewees who had changed jobs, it seems that finding a new job was not particularly difficult for ICT workers. On the other hand, many of the other

ICT workers in the sample had stayed in their first job since they arrived in Finland, and were satisfied with their position.

## 7 RESULTS

In this chapter, we will present the results of the interviews with highly skilled migrants living and working in the Helsinki Metropolitan Area. The structure of the chapter is following:

In sections 7.1 and 7.2 we examine the migrants' motivation to come to Helsinki and their image and expectations of the city before migrating.

In section 7.3 we present a general picture of the migrants' life in Helsinki. Firstly their initial experience of living in Helsinki is described, since their first months are crucial for their decision to stay in the region. Then we elaborate more on their current life style in Helsinki and how they use the city. Lastly, we discuss the migrants' future plans: whether to go or to stay in Helsinki.

In sections 7.4, 7.5 and 7.6 we look more closely into the three central themes of this study: working life, housing, and social life, respectively.

In section 7.7, we conclude the strengths and the weaknesses of the Helsinki Metropolitan Area based on our migrant interviews. Here also the role of soft and hard factors, the central theme of the ACRE research project, is discussed. Lastly, in section 7.8, we present the migrants' suggestions of how to improve the attractiveness of Helsinki.

### 7.1 Motivation to come to the Helsinki Metropolitan Area

One of the key questions related to researching the international experiences of highly skilled migrants is: what motivates highly skilled experts to move across national borders, even to more remote locations such as Helsinki, Finland? The theoretical literature stresses the skilled workers of transnational corporations as one of the most important and also maybe best-addressed groups of transnational migrants (Beaverstock & Smith, 1996; Beaverstock, 2005). This group consists of experts who will need to gain experience working abroad, in order to climb the organisational hierarchy. In our sample the amount of experts of this seemingly large group was marginal. Only two of the interviewed where either sent to Finland, to work at company headquarters or chose to come to Helsinki in order to improve their future career.

*"[...] I wanted to lead [this sector within company X in] a country, and there were several steps that you need to fill in, one of them is to have, [...] responsibility and manage a large team, [...], I always expressed interest that I'm interested in kind of looking for international assignment, to be able to fulfill this. And then Finland came along, and it's interesting because I have, my father's cousin is married to a Finn, [...] I mean I looked that this is an assignment for couple of years, and that I would try to do as good of a job as possible, and it was a kind of a mutual understanding that I would do this 2-3 years and then move on [...]"*

Interviewee 20, marketing and business consultancy

*"[...] and then almost two years ago I joined [company X], and first I moved to London for the first four months and then they relocated me to Helsinki. But I knew it from the beginning that I have to move here."*

Interviewee 12, design

Another classical determinant of highly skilled migration highlights the individual paths or strategies of migrants. The national borders are crossed on temporary basis to achieve higher levels of capital than in the home country, only to return home once that money is attained. Since there is no real history of migration to Finland, as there is to many old European countries, this group is also seemingly small among our interviewees. There are, however, only two migrants who have these classical determinants behind their decision to migrate.

*"We're always thinking of going back sometimes [...] So I know if I go back to Hungary it's almost half, I can get just half of the salary".*

Interviewee 4, ICT

*"I also was a little bit afraid to go working in a foreign country, and she [wife] all the time told me that she is not satisfied with my salary and so on,... [...] And in Romania we had only two rooms, a very small apartment, so now we are... We come from let's say, from worst to the best. So from all the points, my family got the best."*

Interviewee 2, ICT

The largest group of highly skilled migrants in our research was the group that had arrived here because of the success or fame of the economic field in which they had been working. Already in the search for interviewees we had difficulties in recruiting outside the ICT and technical related fields. Of interest here is John Friedmann's (1986) claim that the new international division of labour results on the accumulation of capital for specific internal economic and social structures. This claim is portentous for world cities but it has been criticised for its lack of empirical evidence (see for example Beaverstock et al., 2000). Nonetheless, it seems to fit to the findings of our empirical study. As the somewhat remote city of Helsinki has become a sort of "control centre" in some fields of ICT by Nokia and related businesses - according to the 2008 EU Industrial R&D Investment Scoreboard (Guevara et al., 2008), Nokia is the largest single investor in R&D for the whole of Europe - it seems to attract a notable share of highly skilled migrants of a specific character.

The ICT sector and its specific subsectors - such as computer security - are renowned in Finland. Thus, these fields have pulled and drawn highly skilled experts from around the world to work here. Most of the interviewees had known either the reputation of the field in Finland or even specific people working in these fields before moving for work. Some had just responded to open announcements.

*"[...] I was just purely, just excited about this new country and IT, because we read newspaper and we knew that Finland is leading in IT security and I was just so excited to get that opportunity to learn..."*

Interviewee 22, marketing and business services

This view was endorsed by the manager of one of these companies interviewed for the previous ACRE work package (see Kepsu & Vaattovaara, 2008b) – who stated that in the field of computer security Finland was very famous in the turn of the century. He also had hired a notable share of employees from abroad – the top experts, as he stated.

*“There were only few locations in addition to Helsinki where the development was on the leading edge at that time [...] recruiting was definitely not a problem.”*

Manager, computer security company (Kepsu & Vaattovaara, 2008b)

There was something specific to be addressed in the thinking of these highly skilled experts that we interviewed. Especially the ones working in the “flagship” fields of the Finnish economy in high positions, with highly developed expertise (mainly ICT- and some subfields) seemed to demonstrate a form of rational thinking which influenced their orientations. They carefully investigated and selected their current position:

*“I decided to come to work in Finland, I went to the library, I found the citation index and I started tracing papers written by people in Finland in my field.”*

Interviewee 23, higher education

In addition, they also had an idea about the possibilities in their field, and in their career moves. There seems to be a shift from interest in a single job to an interest in opportunity structure – future career moves. One could even differentiate out of their thinking and behaviour a certain form of goal-rational behaviour (Weber, 1947) where the means (a move to remote Helsinki) is well-adapted to one’s end, which in this case would mean a full-time, life-time professional life – which requires a sufficient salary and job security (see Weber’s thinking of bureaucrats).

The fourth group that is closely related to the previous one, but still also notably different is the group of international students. Beaverstock (2005) also addresses study or research as a very prominent reason for migration, whereby the brightest students or scholars seek out the top universities. The universities in Helsinki are relatively high in international rankings (University of Helsinki), or famous for their individual fields of studies (University of Art and Design Helsinki, Helsinki University of Technology) and they have been able to encounter students from around the world. One attractive feature of the Finnish universities is also the fact that there are no tuition fees.

*I: “How’s the reputation here in Helsinki? Had that anything to do with [you coming to Helsinki to study]?”*

*R: “Yeah, [scientist X] is quite famous for this [particular field of pharmacy]... And I think Finland is good because the state is like giving quite a lot of money to research so it’s quite nice.”*

Interviewee 5, higher education

*“[...] one of my professors was really impressed by the university here, so she told me ‘No no no, forget Spain, go to Finland!’ So I did. It sounded really exotic, and I was very fond of Finnish design.”*

Interviewee 18, design

Finally we also had a somewhat large group of highly skilled immigrants who had come to Helsinki for personal, family related reasons. Even if we tried to avoid this seemingly well-known group of international migrants, we ended up having a major share of them. Usually they had a Finnish partner, but in one case, the motive to come to Helsinki was that the migrant's spouse came to Helsinki to pursue his career.

*"[...] it just was a better time for me to move here than it was for her to move there. She's a lawyer so, if she'd come to England she would have had to do a two year training conversion scheme. And at that time I didn't really have any strong contacts, connections in England it was... I could leave if I wanted so I thought I'd give it a go."*

Interviewee 10, music

*"We had an agreement that whomever got the job first, would drag the other one, and she was faster than me, I almost got a job but didn't, so I came over [to Finland], and I'm very happy I came here."*

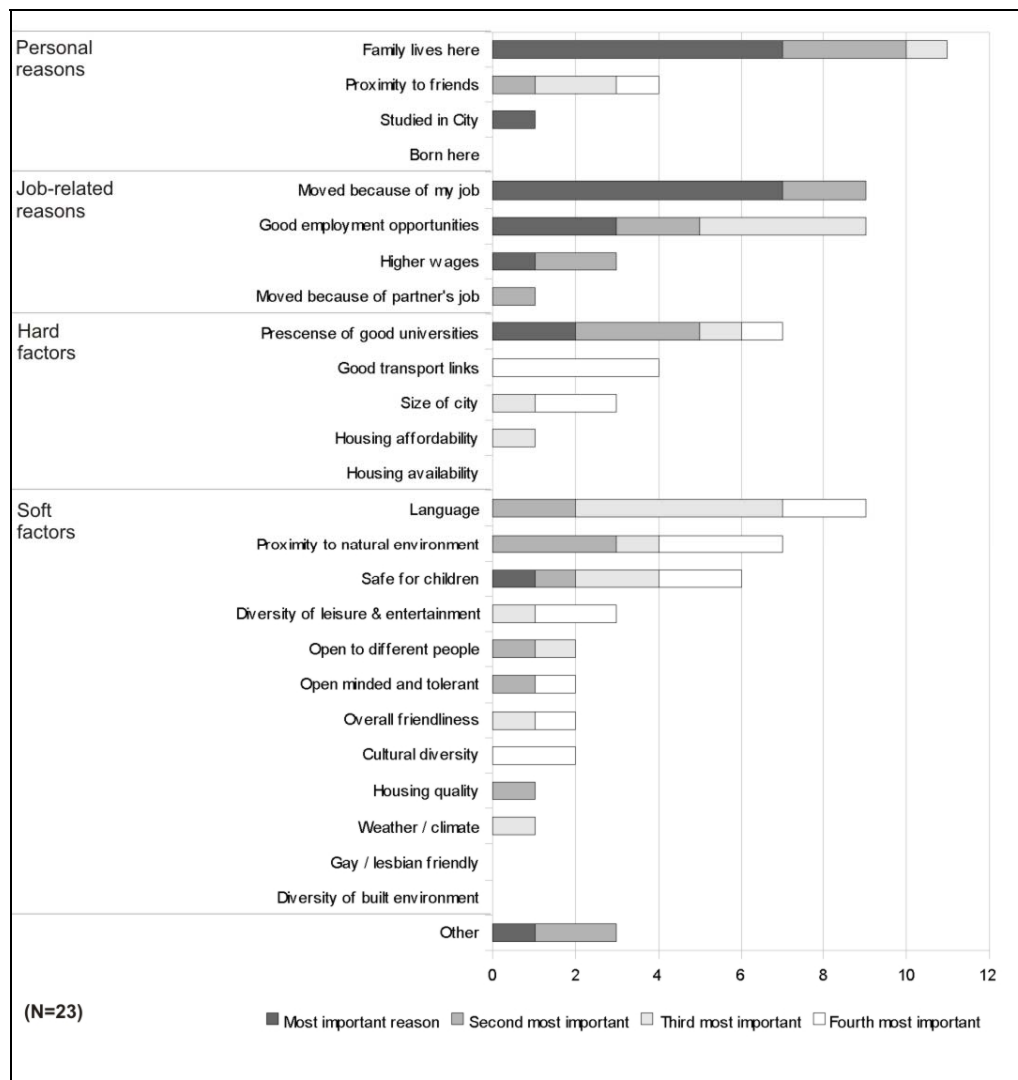
Interviewee 9, ICT

In addition to direct and indirect causes, personal networks also play a role in the migration decision. Many of the migrants in our sample mentioned that they had a personal connection to someone who had been in Helsinki and Finland; a friend of a friend, an uncle or someone else. The information transmitted in these networks can be relevant. Getting a view on something unknown, particularly a recommendation, from a familiar person can be significant for making the final migration decision.

The reported reasons for choosing to move to Helsinki can also be examined through the questionnaire filled in as a part of the interview process (Appendix 3). The migrants graded features of the city from the most important to the fourth most important reason for living in Helsinki, following the outline developed in the study of Finnish experts' location decisions (Figure 7.1).



**Figure 7.1 - The highly skilled migrants' four most important reasons for living in Metropolitan Helsinki**

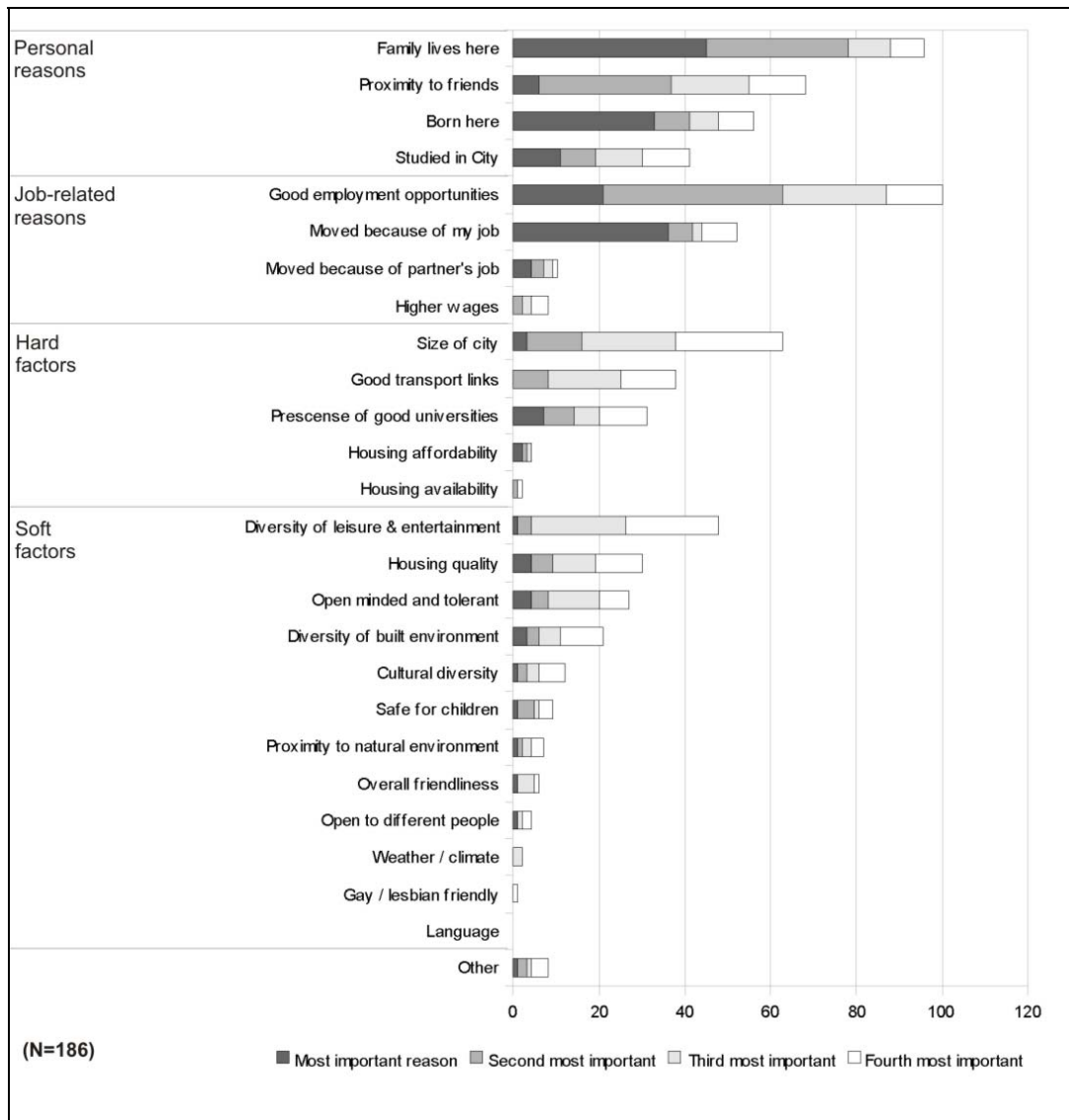


When comparing the results from the migrant interviews with the similar survey with Finnish experts (Figure 7.2; Kepsu & Vaattovaara, 2008a), it is interesting to notice that both the skilled migrants and Finnish experts have ranked family and career related reasons as most important reasons for living in Helsinki. In the migrant group, family and current job were mentioned most often as the main reason for migrating, while generally good job opportunities, presence of quality universities, excellent English skills of the population, proximity to nature and safety for children were also among the most frequently mentioned attracting factors.

According to our interviews, it seems that the 'soft factors' such as cultural diversity and tolerant atmosphere, do not play a significant role in migration to Helsinki. Of the most important factors mentioned, safety for children and proximity to nature are the only ones which could be considered soft. The Finnish experts have rated some soft factors, such as proximity to leisure and entertainment or the tolerant atmosphere as more important than the

transnational migrants. These differences might be attributed at least partly to different comparisons: the transnational migrants are probably comparing Helsinki to other major European cities, whereas the Finnish experts probably make the comparison with smaller Finnish cities.

**Figure 7.2 - The Finnish creative knowledge workers' and graduates' four most important reasons for living in Metropolitan Helsinki**



Source: Kepsu & Vaattovaara, 2008a

The differences in comparisons might also explain the Finns' reporting the employment opportunities as a more significant factor than the transnational migrants assessed it to be. However, from the perspective of the general attractiveness of Helsinki, it is a significant finding that less than a quarter of the international experts ranked the employment opportunities as the first or second reason for migrating. This suggests that the international migrants do not consider the employment opportunities in the region particularly good. It must be noted, however, that the group of migrants was noticeably smaller than the group of Finnish experts, and more data would be required to draw reliable conclusions of the exact differences between the groups.

#### **Motivation to come to the Helsinki Metropolitan Area**

- Among the highly skilled migrants interviewed, the main motivation for coming to Helsinki was either career opportunities or personal reasons, namely following a partner or family to Helsinki. Other reasons for moving were company transfer, better salary and studies.
- Those migrants following career opportunities knew that Finland is famous in their working field, or they examined its reputation before making the decision to migrate. The Finnish ICT field was especially well known and attractive for the migrants.
- Soft factors were not a significant factor in attracting skilled migrants to Helsinki.

## 7.2 Image and expectations of Helsinki

In this section, we examine the highly skilled migrants' image, knowledge and expectations of Helsinki before moving to the city. By this, we want to investigate how important the image and prior knowledge of Helsinki and Finland was in the migration decision. An image of a city or a country is a powerful tool that may influence the decision on whether or not to move, and this is why it is important to know what kind of image Helsinki has in people's minds. The image also guides the expectations migrants create of living in Metropolitan Helsinki and how those expectations are met in practice. We are particularly interested in whether the place-related "soft factors" influenced the decision to come to Helsinki. This theme has a strong policy perspective, since it is relevant for the city to know how immigrants perceive the city if it aims to promote the region particularly for highly skilled migrants. In the political arena the image-building is also a very topical issue. At the end of year 2008 the Foreign Minister of Finland appointed a high-level delegation to lead efforts to develop a country brand for Finland. This branding project is discussed further in the section 7.8, along with the migrants' suggestions for promoting Finland.

We asked what kind of images, knowledge and expectations the migrants had about the city before their move, and how the city turned out to be in reality in relation to what they expected. In the case of Helsinki, it is important to recognise that in the migrants' images the concepts of the city of Helsinki and Finland tend to blur. The images are not necessarily specific to the city itself, but combined with some knowledge of Finland in general. This is because Helsinki and Finland are quite unknown to most foreigners, if they do not come from neighbouring countries. So when we talk about images and expectations of the city of Helsinki, they often are the same as images and expectations of Finland.

It is quite striking that in general, the skilled migrants' conceptions of Helsinki and Finland were very vague. In most cases, it is not even relevant to talk about an image of the city, since the knowledge they had about the city was extremely limited. Roughly one third of the interviewees said that before moving they didn't know much about the country, or just one or two things. The interviewees who had little knowledge about Finland usually referred to the location in the North and the cold climate.

*"I actually didn't know that you have the Santa Claus here! So it was, I had very few information. I only knew the position on the map, and I knew it's very cold, something like this. And I knew that the capital of the country is Helsinki."*

Interviewee 2, ICT

Another conventional way of seeing Finland was as a part of the Scandinavian countries. It seems to be common that the countries are thought of as a group, and there is not necessarily much information about the individual countries. Besides the location, some of the interviewees linked Scandinavian countries together with common cultural characteristics.

*“[...] I actually didn’t even know really which one of the three countries it was. I guess until you, I mean, unless you either like study it or something you wouldn’t know, I mean I knew that there was Finland, Sweden and Norway, but I didn’t know which one was which.”*

Interviewee 25, ICT

*“I had a previous relationship, I had a girlfriend from Sweden so I had some experience of not Finland but just kind of a... Scandinavian, Nordic sort of feel of things. And the climate, I’ve been used to Swedish winter so it wasn’t such a shock being here. Some similarities to the attitudes and that kind of thing.”*

Interviewee 10, music

For many of the migrants interviewed the knowledge they had about Helsinki and Finland mostly related to work and career issues. One influencing factor for skilled people to move to a country is its reputation in their field of work. The media and professional networks play a crucial role in disseminating information. One group of the interviewees had recognised Finland’s importance in their working field and it was one of their main drivers to come to Helsinki.

*I: “What did you know about Helsinki before you came, about Finland before you came here?”*

*R: “Not much, like before, maybe when I was in India before coming here just Nokia, about Helsinki. But then when you get into the research, when you go abroad, when you’re exposed to more like international stuff, then you see such people, when you read articles, you see that ‘Oh there are so many articles coming from this university, okay maybe that department is doing well’, and so, yeah we knew quite a bit about this university [...]”*

Interviewee 13, higher education

*“I had read research by some of the people at the institution that I’m working for, it was very impressive. I think it’s one of the, the more important institutions in my field. I think that there’s outstanding people here. And I’ve met some of them as well at conferences and really was impressed by their presentations and so... I think it’s the competence of the people I’m working with, this very intellectually stimulating environment that brought me here, not so much an awareness of Finnish culture or the nation of Finland or City of Helsinki or anything like that.”*

Interviewee 19, higher education

The Nokia Corporation was often the first and sometimes the only thing that the migrants knew about Finland.

*R: “[...] I have to say I didn’t know too much about Finland so...”*

*I: “But you knew about Nokia?”*

*R: “Yeah of course, everybody knows.”*

Interviewee 7, ICT

One special field of reputation – along with ICT – is the Finnish (and Scandinavian) design, and it was also mentioned in the interviews by the interviewees employed in creative fields.

*“And why I chose Finland... From my background point of view it was because the Scandinavian design is very well regarded and well known internationally.”*

Interviewee 14, design

Our interviewees had clearly less prior knowledge about the specific place-related characteristics of Helsinki than the professional image of the city. The so-called “soft” factors do not seem to be very well-known or very relevant in attracting the highly skilled to Helsinki. Those very few who had some prior experience about the atmosphere of Helsinki had highly varying opinions on the city before moving there.

*R: “I visited Helsinki only a couple of times before I moved here. Before I sent my papers I actually didn't want to move to Helsinki because I thought it was a boring place. But after I came and got to know the place, my perspective changed and now I think it's a pretty nice place.”*

*I: “Do you think that in Petrozavodsk it's a common perception of Helsinki that it's a boring place, or where does this image come from?”*

*R: “I can't really say. If you compare Helsinki to Petrozavodsk it's not a boring place, because Petrozavodsk is a smaller city, half of Helsinki or a quarter of Metropolitan Helsinki, but compared to Moscow this is a more boring place, because Moscow is a great city and there's always something happening there, and there are also good employment opportunities. I think if I worked in Moscow at the moment I might have a better salary, because there is a lot of demand right now.”*

Interviewee 17, marketing and business services

*“[...] when I came first time to Finland and first city I saw it was Helsinki, and I fell in love with Helsinki, because... I don't know how to say, just, it's feeling that ‘That is my home’. Yes, so St. Petersburg wasn't home, it's a hell actually, six million people and the traffics and takes two hours to get job from home and then back, it's nice to visit but living there, it's hell. But here is so quiet, peaceful, and... Architecture is quite same as in St. Petersburg. So, feeling comfortable here, yes I feel very comfortable here, even if I don't speak Finnish (laughs).”*

Interviewee 15, higher education

The Nordic welfare system was known by some of the interviewees. These images related to the Scandinavia as a whole, and they were positive, concentrating on the good quality of life.

*“I didn't know a lot about Finland, to be honest, we know like the whole Scandinavia when I was in Ethiopia. Scandinavia is very democratic country and very, social security system, good education system.”*

Interviewee 24, higher education

*“[...] First of all you always hear that in Scandinavian countries, you have like the quite high, the life standard, also for, especially for women like in working position, higher positions, that there are good opportunities [...]... just the main things like the working situation and the life standard is quite high. It's the quality of life is just good [...]”*

Interviewee 12, design

Broadly speaking, our interviewees' image of Helsinki and Finland related either to their professional field or to a few details about the country in general. When there is no special reputation in a field of work, the knowledge about Finland tends to be quite limited. Place-related, "soft" factors were not commonly known, except for some migrants who mentioned the reputation of a good general quality of life.

However, there is also a flip side to the vague image. The general low profile of Helsinki adds in some cases to its exoticism and makes it appealing for some of the skilled migrants who are looking for adventure. Compared with many other countries, moving to Helsinki is a leap to the unknown.

*"I think that's kind of what appealed to me about it, that it was so unknown, and out there."*

Interviewee 3, music

*"Somehow I was just more attracted to having the opportunity to be in a country that I would never thought of going to."*

Interviewee 22, marketing and business consultancy

*"I wanted to go abroad, I wanted to get international perspective and have an international degree, experience something exotic and Finland seemed exotic enough."*

Interviewee 14, design

There is something fascinating to go to a country that is not the ordinary choice. Working in an "offbeat" country can also be an advantage for highly skilled people, giving them an experience that no one else has.

*"Particularly in something like Academia, you need to have new ideas, meet new people, discuss different ideas, alternative perspectives. If you stay in one place you just don't get that. So it's very important to come to a country that is so different, like Helsinki is for me quite different from all the places where I've actually been to."*

Interviewee 1, higher education

*"Actually, if [the company] happened to be an American company or from UK, I probably wouldn't have gone, just because I have been in the US, and there's just so many Japanese people in the US, or in the UK, it's just nothing new for me, and..."*

Interviewee 22, marketing and business consultancy

Images create expectations. In Helsinki's case, where there is not a universally strong image of the city, the expectations are usually not so high either. In fact, often the interviewees who did not have many expectations were positively surprised during their first months:

*"[...] it was summer, everyone was outside, people was sitting in the grass drinking their beer or whatever. In summer it's nice, it's clean, there are loads of nice places to go and there's loads of pretty girls and 'Wow, this is a really nice place'."*

Interviewee 8, ICT

*“[...] the things I noticed were how much easier life was in terms of just getting around the place, and I could walk everywhere. And it’s wasn’t like London where it’s a commuter hassle and the... the lack of people and the lack of traffic and everything was very... relaxing, I still feel relaxed here.”*

Interviewee 10, music

One of the most common expectations among the migrants was that Helsinki has a very difficult climate. For some, the reality was not as bad as they thought it would be, and they were positively surprised.

*“I didn’t expect it so beautiful, and also all people visiting me they just said ‘I just didn’t know that it’s that beautiful’, if the sun is shining (--), and I was really, even if that sounds ridiculous I was really expecting it’s only dark, that I see no sunshine, and just how beautiful it is when the sun is shining and it’s so clear [...]”*

Interviewee 12, design

*“[...] cold is certainly not such a big deal. Darkness is a big deal but I think, that’s not really a... I think Finns are making it kind of too much of a big deal [...]”*

Interviewee 20, marketing and business consultancy

Another worry was that it would be difficult to manage in a country with a strange language. However, most migrants were surprised about the level of English people spoke in Helsinki.

*“[...] I thought I guess that the language would be a problem but I think that the level of English here is obviously very very good, so that was a concern of mine, about the language, but it hasn’t actually been a problem. So the first month as the result of those things has been quite smooth, and I think like thereafter as I got used to the city, and, not the language but the city, has been quite a smooth transition and indeed easier than in the United States, actually, where they have English as a first language. So that was quite surprising.”*

Interviewee 1, higher education

#### **Image and expectations of Helsinki**

- The skilled migrants’ image of Helsinki before moving was generally vague, and in some cases even non-existent.
- The little knowledge there was about Helsinki was usually work-related, e.g. Finland’s reputation in some field of work.
- “Soft” factors did not play a considerable part in the images of the city. However, the good quality of life was mentioned a few times; on the other hand, the climate and the language worried the migrants.
- The fact that the migrants had very little prior knowledge of Helsinki did not seem to influence the decision to move to the city. In some cases, the lack of knowledge of Helsinki turned into something positive, and Helsinki’s exoticness was perceived as an attractive feature.
- When the image and consequently the expectations of Helsinki were quite insignificant, there were usually no serious disappointments when arriving to the city.



### 7.3 Settling in, everyday life and staying in Helsinki

Despite there being a widening literature on the international migration of the highly skilled, not much attention has been paid to their adaptation into host societies (Hannerz, 1996; Findlay, 1996; Ewers, 2007; see chapter 2). There is a general assumption that well-earning workers have no problems adjusting to their new lives. Moreover, as many of these experts have very mobile international careers, they have created a culture of their own with specific behaviours and habits, which they find relatively easy to adjust to and extend from the world cities into other locations (Hannerz, 1996). It has been shown how skilled migrants often remain ‘invisible’ (Findlay, 1996) because of their easy adaption to their new habitat. As a result of this they are interpreted as acceptable by the states as they adjust also politically, socially and economically to the ways of living in the foreign country. In addition, usually their stay in the new country is considered to be more or less temporary, which is why not much attention has been paid, neither in academic circles nor by policymakers, to their integration.

In this section we will examine the highly skilled transnational migrants’ experiences of settling in the Helsinki Metropolitan area. The section consists of three parts. Firstly, we will look at the migrants’ initial time in Helsinki; the experiences they had and the challenges they faced in the first few months. It is also interesting to see what sort of support the migrants received when arriving. Secondly, we will look at the everyday life of the highly skilled migrants, namely how they use the city and what kind of life they lead in their leisure time. Do they possess the lifestyles often ascribed to the “creative class”? Thirdly, we will examine how well the migrants have settled in and adjusted to the city and whether or not they feel at home. We will also look at how long they intend to stay in Helsinki and discuss what the main reasons for them to stay in the city are.

In this chapter we will focus on the general picture of settling in the city. The related themes of working life, housing and social networks will be examined further separately later in this report in sections 7.4, 7.5 and 7.6, respectively.

#### 7.3.1 *Initial experiences and adaptation*

As we have seen in the previous section, most of the migrants had none or very little knowledge about Helsinki before arriving in the city. In general their expectations were not very high, and disappointments were therefore quite rare. On the contrary, many were pleasantly surprised, or thought that jumping into the unknown was not as bad as they had feared. The view in the literature is that highly skilled migrants tend to come from quite similar western cultures, making the adaptation generally easy. This is also the case in our study; the majority of our interviewees had no major initial troubles that would have made adaptation seriously difficult. They did however experience some challenges with living in Helsinki, both larger and smaller ones. In addition, seven of our 25 interviewees expressed that they experienced something of a culture shock through moving to Helsinki. The greatest difficulties and the main reasons behind the culture shock were usually related to climate, language or social life.

The climate in Helsinki was a theme that the migrants tended to have some idea about before migrating. As seen in the previous section, however, for many migrants it became less of an issue in the end. But for some, it actually turned out to be a major challenge, particularly in the beginning.

*“I started to shake and was really afraid what will happen here, because when I come to interview it was in March and it was, the ocean was frozen, and I saw cars going on the ice. And I got very scared that this, wow, it is March and so cold, how it is in December or January or something like this.”*

Interviewee 2, ICT

*“It was the winter time, the most difficult thing [in the beginning]. [...] Cultural shock not really, not really the people - it’s more a climate shock.”*

Interviewee 6, ICT

The Finnish language was another problem for many migrants, despite relatively widespread possibilities of using English in Helsinki. Particularly those who had come to Helsinki for family reasons were faced with the difficult language situation right away when having to find a job (see section 7.4.2). Also migrants who had no help in finding an apartment found the language a remarkable obstacle, as the housing market operates mainly in Finnish, and also discrimination against foreigners exists (see section 7.5.1). Even if they hadn’t had problems with major issues, Finnish language could make the migrants’ everyday life tricky in grocery shops and workplaces. Finnish language is considered extremely hard to learn, and only a few of the interviewed migrants have managed to do it. In addition, English is spoken more commonly in Finland than in many European countries, which is generally a positive thing, but weakens the motivation to learn the local language.

*“And, this [Finnish language] was the main difficulty [in settling in]. [...] even in the shop, if I went to Alepa or S-Market or everywhere, okay this was another problem. We didn’t know which is yoghurt or which is milk, cream, or something. Almost every time I got the wrong one, but finally when my wife came here she managed to find the things very easily, and it was well.”*

Interviewee 2, ICT

*“Still the language [is the biggest challenge in living here]. And as I said now I don’t even want to learn it, which is maybe not good, but also it’s so hard to learn it. And it’s something, I also didn’t really expect it to be so different if you only talk a few words, it’s different if you talk in Finnish a few words a person, it’s a different reaction in English. [...]’Cause you can of course survive, you get also used to it, but also it’s yeah just simple things like shopping or then if I need like to go to the pharmacy and then I’m getting my medicine and I can’t read, it’s either in Finnish or Swedish, and then I tried to find in internet every word but then it’s produced either in Finland or Sweden [...]”*

Interviewee 12, design

Another key challenge for the migrants in Helsinki was creating a social life for themselves. For many interviewees it has been the one most difficult thing about living in Helsinki. Some were really struggling in the beginning with feelings of loneliness and found it extremely hard to make friends in Helsinki. They often explained this by the cultural characteristic (or stereotype) of Finns being quiet, asocial and closed. This was a source of frustration for many migrants, and also an initial shock for some. Naturally a lack of social life with locals makes it more difficult to integrate into Finnish life. Many of the migrants, particularly those who had not yet been in Helsinki for very long, had made most of their friends and acquaintances at the work place or with other expats.

*R: “[...] and we have some Finnish friends, so.”*

*I: “Have you met those friends through work or?”*

*R: “Yes, through work. Mostly through work, and sometimes where we live, that neighbourhood. Usually Finnish people are very shy, that’s what we were told, that they don’t mix up or they don’t come forward, it’s you who has to take the initiative, and once you mix then they are very, like very friendly so-“*

*I: “Is that how you perceive it to be actually?”*

*R: “Yes, yeah. So I find that same true.”*

Interviewee 13, higher education

*“...it’s not easy, people are not particularly open, especially in this university. So it’s not easy to make friends [...]”*

Interviewee 14, design

In addition to these major obstacles, the migrants were faced with several other practical problems during their first months in Helsinki. The most common one had to do with finding an apartment. Without support networks or the help of a relocation agency it was considered very difficult. This question, as well as other housing issues will be discussed in more detail in chapter 7.5.

Another common practical problem was bureaucracy. The difficulties of paperwork were however mostly mentioned by migrants who came from outside the EU, and who did not have a fixed work position upon arrival. Most of the EU-nationals have had no problems with permits and other official papers, and some even say that it has been extremely easy. Migrants who have lived in Finland for a longer period of time say that the system has improved over the last years. Nevertheless, some migrants have been struggling with their paperwork.

*R: “It would be good that you go see [the immigration office], because it’s the only place with bureaucracy that I have ever seen, in Finland, [...] Last time I was almost six hours in queue, to leave my papers, just to leave the papers, not for anything else.”*

*I: “Yeah so, bureaucracy is not working so well as it should?”*

*R: “No it’s not, and it’s very long process, and, well now they allow you to keep your passport, because it used to be that, you have to leave it there for months...”*

Interviewee 18, design

The support the transnational migrants received upon arrival into Helsinki varied a great deal. Only a few migrants got help from a relocation agency or through some other formal process at the workplace. These migrants have been working in large multinational corporations, and have arrived in Helsinki quite recently. Using relocation services has been quite rare. Also other kinds of formal support procedures have been developed more widely but only in the last few years. Large international companies and universities have in recent years attempted to establish better services for international workers.

*“One thing that motivates the companies is that they want to hang onto the skilled workers. When you get such a person to come here, you want to take good care of that person. This commitment, tying the worker to the company is extremely important. You must have heard about return migration many times, it has been a hot potato, that the companies handle these international transfers very poorly. And then when the time comes to return, the worker in whom a lot has been invested, financially as well, leaves the company within six months to work for the competitor [...].”*

Marjo Lautjärvi, managing director, Finland Relocation Services

Highly skilled migrants who came to Helsinki in the late 1990s and early 2000s, workers coming to smaller companies without much previous international staff as well as those coming without a fixed work position had relied mainly on unofficial support. Most of the migrants we interviewed received help in practical matters through helpful colleagues, friends or partners.

Some felt that they had almost no help in settling in. Most migrants would have liked more support services, and felt that it would have made settling in easier.

*“I was supposed to [get support], and that was also an issue just that I knew I would need it, so I negotiated that, at the beginning I said I really need to have somebody the first weeks who can help me out with all the basic things, knowing how to do shopping, knowing how to deal with the government offices, to open bank account, all those basic things. [...] But unfortunately, it turned out they had promised that, they had the best of intentions, but for various reasons when the time came it turned out everyone was busy with other things, and they ended up having to send a student to help with things, and the student didn't know how anything worked and it just kind of, it was a little complicated- [...] I think the real reason is that they hadn't hired a foreigner to move here like this before, so I think now they understand more, probably it will be easier for the next person.”*

Interviewee 19, music

*“Yeah, I just had to go out and do that myself, there was no help. There was no list of what needed to be done... [...] they didn't hire so many people from abroad at that time so they weren't so experienced about relocating... “*

Interviewee 16, ICT

Generally those migrants who did receive support through a relocation agency or directly through their companies were satisfied with their services, and happy with the help they received. The migrants did however point out that the official support helped them only with practical matters, not with their social lives and a deeper integration into wider society.

Although some relocation agencies also offer cultural support, companies tend to focus on the practical issues, such as finding an apartment for the international workers.

*“[...] integration to society, here I can see it’s up to you. So there’s no such an area or forums or environment that would say: ‘How can I integrate you to the society, as a foreigner’. At least I couldn’t find out the ways of... I don’t want to go to political discussion, but Finland does that very well when it’s foreigners from other kind of situations, if you talk about refugees for example, they do that very well. But if you come by your own and you are a tax payer, that happens not so well.”*

Interviewee 6, ICT

*“[...] I’ve always been treated with respect and a lot of support and otherwise, but socially there was no real kind of introduction to this society and thinking that I will just be functioning like a robot. And that’s not so much as, I just don’t think that’s marketing, people just don’t know how to do it.”*

Interviewee 20, marketing and business consultancy

One of our central findings in the study was that social life was surprisingly important for the well being of the migrants and for how well they settled into the city. Many migrants were lost in the beginning about where they even could meet new people and create meaningful social relations. Many migrants mentioned this social dearth as something they would have wanted to receive some help in. This problem has been directly recognised by one of our expert interviewees Paul Brennan, who has created the Jolly Dragon network for people to meet “for fun”. This network has grown to be quite a significant meeting place for foreigners and locals who are looking to expand their social networks.

*“So it started as off as a network of friends that wanted to be more active. I think one thing that’s key in Finland is that the weather keeps everyone inside so easily, and it’s so difficult to get your five friends to go out and do something, so it’s too easy to stay at home. And I was nursed to that culture from the very beginning and I’m not used to that, and I wanted to fix it, I wanted to fix it for myself... I was playing squash. And somebody else joined and said ‘Yes I have the same problem’ and then, after a year, it became kind of known that all the Finnish people have the same problem. It wasn’t just a foreigner’s thing, it was an everybody thing, that we all wanted to play more but didn’t have any system that helped us to do it. [...] It’s so difficult to have a platform to get in to Finnish culture and Finnish environment, but if you have Jolly Dragon it’s not. And it’s sort of, I’m biased in that but that’s also the point I’m trying to make, that the city should really invest in this more.”*

Paul Brennan, founder and director, Jolly Dragon

### 7.3.2 *Everyday life in Helsinki*

In this subsection we are interested in examining the lifestyles of the transnational migrants in Helsinki. How do the highly skilled migrants use the city? What do they consume in it? Is there something specific in their lifestyles that is relevant to take into account when attempting to accommodate them in the city? Richard Florida (2002) claims that the “creative class” has a somewhat distinct lifestyle and different demands on the city than the rest of the population. According to that view, “soft” factors are important for creative and knowledge workers when deciding where to live and work. They put more emphasis on the amenities and cultural facilities of the city, as well as its diversity and tolerance.

Our results show that use of the city and the consumption patterns vary according to the migrants’ attributes, particularly what stage in life course they are. As is the case with the local creative knowledge workers (Kepsu & Vaattovaara, 2008a), workers with families or children generally spend their free time differently than young singles and childless couples. Most of the interviewees with children spent most of their spare time at home with their families or doing child-friendly activities often outdoors and closer to their suburban homes. They visited the city centre mostly when going shopping or for an occasional dinner or a night out at a restaurant.

*“I spend time with the family. [...] We always go somewhere, or talking of what we will do. Or we just fix something up with the... I bought the flat, and we have some small garden or something and always there is something that should be done.”*

Interviewee 4, ICT

*“Well, sometimes going with friends after work to have a beer. Usually in Helsinki, different places. And then going with my family outside, especially during the weekend we are going on some shoptrip or whatever around visiting Helsinki. “*

Interviewee 7, ICT

Singles and childless couples on the other hand were generally more active consumers of culture and entertainment in Helsinki. Their consumption patterns were also more city centre based. Most of them visited the city centre regularly in their spare time, even if they did not live there. Younger singles tended to go out to bars and clubs, while couples generally preferred eating out in restaurants and going to different cultural activities on offer. Many migrants were quite satisfied with what the city offered, especially considering its relatively small size and cold climate. Those who had been in the city for a longer time said they could see that it has changed and become much more lively and international.

*“Yeah, we go to gigs and go to bars and... haven’t been to the theatre much because of the language issues. [...] We go to the galleries, I’ve been to all the art galleries here quite a few times, and we go to the cinemas and... so as much as we can.”*

Interviewee 10, music

*“I think, because Helsinki is growing so fast, and there’s actually new restaurants popping up all the time or, different development projects going on. [...] [friend X] who adores doing this restaurant hopping, whenever there’s a new restaurant she always calls and says ‘Hey you wanna go try that out?’, and that was one way to have entertainment.”*

Interviewee 22, marketing and business consultancy

*“So it’s a small [city], and yet it has anything that a big city has to offer, you know it really has independent small theatres, movie theatres, shops.”*

Interviewee 9, ICT

However, there were still quite a few migrants who were not completely satisfied with the selection in Helsinki. Particularly more active consumers of culture and entertainment felt that Helsinki lacked buzz and diversity.

*“[...] why is it that the city just collapses after ten o’clock on Monday, Tuesday, Wednesday? [...] Somehow I wish the city would promote more activities until later in the night. Keep people talking more. Maybe the bars can close, but maybe the cafes should stay open. Like I find that the night life on, except for Saturday and Friday and Wednesdays, sometimes the night life is a little challenging, there is no, there’s not much to do.”*

Interviewee 11, higher education

*“So I miss in general the cultural life although I think Helsinki has a quite active cultural life and it’s improving all the time. But I had much more access to it in Colombia and Bogota is so huge and so diverse in the cultural life. That I miss.”*

Interviewee 14, design

*“Yeah I mean again like the, compared to most of the European cities you have this, like in Italy you have these little cafes you can walk in and just read your newspaper and have your coffee, or like 24 h diners, that I really miss. I can’t find anything after, I live in the heart of downtown, I can’t find anything after 10 o’clock or 11 o’clock for dinner, and I’m used to that kind of stuff, and in New York, Istanbul, in anywhere, in most of the cities you have that kind of stuff. So that part I miss like, to be able to have 24 h decent food without, like you either have fine dining here, or McDonald’s or Hesburger-“*

Interviewee 20, marketing and business consultancy

Our results also show that there is some difference in the consumption patterns depending on the “level of creativity” of the worker. Migrants occupied in artistic fields, such as designers and musicians, generally go to cultural events much more often, and they have more city centre based lifestyles and value “soft” location factors much more when compared with ICT workers. They also pay more attention to issues such as city atmosphere and diversity. Very often, they feel that is what is missing in Helsinki too.

*“I do miss the variety of things that would happen, I miss the, it’s a very homogenous society so I miss the differences, I miss not seeing different people, and I miss not having so many areas where it’s really... You don’t have a Chinatown or you don’t have the strongly sort of Asian things you have in some parts of London. I lived in Notting Hill and Abbey Grove which are very West Indian areas, so I miss the culture of diversity. And this sort of, it’s nice to walk home and not get mugged and those kinds of things, but I miss some of the danger of it, I miss the, just the feeling of you know. [...] You don’t see individuals so much, you see people as part of groups. So I miss that.”*

Interviewee 10, music

*“Public space. I always wonder why there are not more kind public spaces. I mean, natural spaces there are, like I said the Töölönlahti [bay area] and the central park and the coast line, it’s so beautiful. But at the same time there are not many places where you can actually sit, there are not many seats, benches. Tables, you know, which you can sit around, part of the city furniture system. I understand that the changes in the seasons affect that but still I think that you guys have come up with such great solutions to deal with the climate and the weather that I think that it’s more... But I wish that it was not a season bound thing, but that there were more options for using the public space. I don’t know, more cafés, more terraces...”*

Interviewee 14, design

*“[...] yeah there’s a lack of street life that I think, I find a little dull sometimes. And climate doesn’t help much. But still there’s a, I think in the city centre there’s a lack of places people can go, just to be. Cafés are very few and far between, I think that would go a far way towards helping out.”*

Interviewee 3, music

### 7.3.3 Staying in Helsinki

Most of the migrants have adjusted relatively well into life in Helsinki, even those who had a culture shock in the beginning. Still, those who have stayed a shorter while or who are in Helsinki on a fixed contract for a few years have not become as settled as those who have stayed for longer. It is clear that some of the migrants are examples of the mobile “global nomads”, whose stay in the city where they work is temporary. Also those “cosmopolites” have international experience of living, studying or travelling in different countries and tend to be more mobile, and do not view the move to Helsinki very permanently.

*“Well now I’m focusing on these two years here and trying to set it up so that I can stay more than two years if I want to, and within about a year I will be looking into another options, well less than a year, to see are there better opportunities with some universities in America, there’s a possibility in Japan as well and, I want to see whether it makes sense to stay here more than two years or not, so I need to be able to carefully compare [...]”*

Interviewee 19, music

*“These [highly skilled] people are a bit erratic. If they work for a big global company they might live a year here and a year there and they don’t really have a home. For example some of the Chinese and the Indians have lived in three countries in Europe and then they decide to give Finland a try. They may be kind of adventurers seeking for new experiences, and most of them don’t have any intentions to stay for a longer time. Some have a permanent contract and they plan to stay here for some time, maybe two years, maybe five, maybe ten.”*

Jutta Evokari, relocation services agent, Vuokraturva



What makes highly skilled migrants stay in Helsinki are first and foremost social and emotional ties. Migrants who have been in Helsinki for a longer time have created close social ties: friendships, partners and families. Also this is linked to the stage in life-course the migrant is in. People tend to become more settled with age and when they build a family, and it is not easy to start all over again somewhere else. About half of the migrants (12) want to stay in Helsinki. Only one of them does not have a family in Helsinki.

*“[...] that was actually a turning point in my life because I broke up with the guy I was with, and it had been like four, five years that I had been in Finland, and the longer I was staying was because I had met this person. So when I broke up with him the question did come up that okay, do I move out from here, because I have seen this country? But I had really like fallen in love with Finland, and so I kicked away my parents opinion that I should move to a bigger city to pursue a career. I said no, I’m going to stay here, and career is not everything in my life anymore and then I said I have friends, even if I didn’t have a boyfriend it’s like, I had best friends and Finnish friends who really got to know me, and I adored, and I didn’t want to go somewhere and built that kind of a circle from scratch again.”*

Interviewee 22, marketing and business consultancy

*“So I’m not definitely consider to move, now that there is quite strong roots built up, having a family, having a house, having a quite long career in a Finnish company [...]”*

Interviewee 6, ICT

In Helsinki, the importance of place-related or “soft factors” seems to be more relevant for retaining the highly skilled migrants than attracting them to the city. Job and career advancement are the primary drivers for the migrants to come to Helsinki. Our study suggests however, that when it comes to staying in Helsinki, social relations, personal trajectories, and perhaps also to a certain extent place-specific quality of life factors come to play a more important role. Helsinki’s strengths are particularly the safety, high standard of living, and being a small-scale metropolis. These features are attractive particularly for migrants later in their life-courses, often with families. In addition for highly skilled migrants the significance of existing job opportunities cannot be underestimated. There needs to be enough possibilities for work in the sector the migrant is employed in. Technical fields, particularly ICT, offer the most opportunities for foreigners.

*“The labour market and the fields of global economy are so small in Finland that the career opportunities are quite limited [for migrant workers]. And what comes to upper management, I just wrote about this, we have too much social capital here. The old-boy networks don’t let in the newcomers. In another research we interviewed different companies and actors, and one minor result was that it is easy to keep the technical experts here, but when it comes to marketing and upper management it is hard because they are not able to create networks here and be on the market. The density of social capital, the old-boy networks hinder it... You can’t get in.”*

Annika Forsander, director of immigration, City of Helsinki

It is interesting to ascertain how much the city can attract more highly skilled migrants, or whether it should focus more on retaining them once they are here. There are clearly different forces at play when discussing how to get foreign experts to come and to retain them. Highly skilled migrants usually come to Helsinki for work reasons, which is why the labour market needs to be attractive. Our results also suggest that it is beneficial to invest in the place-specific amenities and make the city an easier and more welcoming place for migrants to live in. These “soft” factors play a part in making the migrants feel at home and influence their decision to stay in Helsinki.

*“[...] I have asked people before they have actually moved here if they are going to stay for a long time, and do they think they could stay here permanently. Half of them said they don’t know, 35 per cent said that it’s an option and 15 per cent said that it’s not even an option. These are the opinions of people who have not yet lived here, and I haven’t had a chance to ask them again later. Still my opinion is that this is a clear message for example for the municipal services, that with our own actions we can influence people’s willingness to live here.”*

Henni Ahvenlampi, relocation advisor, City of Helsinki

#### **Settling in, everyday life and staying in Helsinki**

- The most significant challenges for the highly skilled migrants living in Helsinki are the climate, the language and also the social life.
- Migrants who could utilise relocation services generally found settling in to be a smooth process. Those who did not have this support had to rely on unofficial help and faced more challenges.
- The consumption patterns of the city vary according to the migrants’ lifestyles and stage in the life course. Creative workers’ lifestyles differ from the knowledge workers’ lifestyles, and families’ lifestyles are different than the singles and the couples.
- Half of the interviewees planned on staying in Helsinki permanently. Personal ties and soft factors are important in retaining the highly skilled migrants in the city.

## 7.4 Working life and career perspectives

In this section we will examine the interviewees' experiences of working in Helsinki and issues related to their career. This theme is very central to our research, as the interviewees were very career oriented and ambitious people. For most of them the job was the primary motive and the triggering factor for coming to Finland. Thus, how happy they are with their working life is crucial in any explanations of whether they intend to stay in Helsinki or not.

### 7.4.1 Sector of work – is Helsinki special in your field?

The employment opportunities offered to foreign highly skilled workers in the Helsinki Metropolitan Area vary according to economic sector. If a sector is international in its orientation, it needs international people in its workforce and thus can more easily employ foreign experts who have no skills in the Finnish language. Currently the ICT sector is evidently the most international sector in Finland, and employs comparatively many foreign workers. This is due partly to the fact that ICT needs expertise from abroad, as the current skilled workforce is becoming scarce in the Helsinki Metropolitan Area (Leiponen, 2008; Hämäläinen & Tuomaala, 2007). Many managers of ICT companies are worried about the local labour shortage in the field (Kepsu & Vaattovaara, 2008b). Also R&D and higher education is a sector in which international professionals are generally welcomed. Academia is basically quite similar all over the world, and English is the world language in the field. Finnish universities are trying to become more international and the Finnish researchers have developed networks all over the world, which opens up more international opportunities. Also researchers are generally very mobile as they are actively trying to increase their skills, develop new ideas and widen their networks.

*“[...] because we are researchers we go to all over the world, wherever we have good opportunities, good projects, and good people to work with.”*

Interviewee 13, higher education

There are also certain fields in which high expertise is lacking in the Helsinki Metropolitan Region and in Finland. For example, multinational companies based in Finland tend to look for marketing specialists from abroad, as they say Finland cannot provide the knowledge they need in this area of expertise (Kepsu & Vaattovaara, 2008b).

The interviewees in our sample have very varied work situations. As table 7.1 shows, most of the respondents are employed in knowledge-intensive fields. That is in line with the development in Helsinki overall, since Helsinki has a definite knowledge-intensive and technological profile. Nine of 25 of our respondents work in ICT jobs, most of them in software. All but one are employed by large multinational companies. The jobs the ICT workers hold demand specialist qualifications, ranging from purely technical engineers to project managers. The second largest sector in our sample is R&D and higher education, with 7 respondents all involved in research activities. They are all employed by universities in the region, and work mainly in technological fields such as biotechnology (2 respondents),

computer science, materials science and GIS. The work positions vary: we have interviewed PhD candidates, post doc researchers, research associates and professors. The rest of the knowledge-intensive workers in the sample are employed in either business consulting or marketing.

Despite not being among the most “creative” cities in Europe in terms of art, culture and creative industries, Helsinki still has some strong focus areas in artistic fields, including design and to a certain extent music. Six of our interviewees are employed in these fields, three of them in design and three in music. The division between knowledge intensive and creative industries is of course very crude as the jobs of the highly skilled generally require more or less creativity. For example software has been classified as a “creative” sector in an earlier ACRE project (see Kepsu & Vaattovaara, 2008a; Musterd et al., 2007). This time we have for clarity chosen to include software (4 interviewees) under the ICT sector, which is a special sector for Helsinki’s highly skilled transnational migrants.

**Table 7.1 - Working fields and titles of the interviewees**

<b>Work content</b>	<b>Title</b>
<b>Creative workers (6)</b>	
Music (3)	composer musician, part-time cleaner professor
Design (3)	design-specialist PhD candidate, freelancer/consultant entrepreneur
<b>Knowledge workers (19)</b>	
ICT (9)	software engineer software engineer senior manager IT project manager IT analyst project manager (IT consulting) senior test designer software architect scrum master, software engineer
Higher education (7)	post doc researcher PhD candidate professor research associate research assistant senior research scientist PhD candidate
Marketing and business consultancy (3)	internal auditor, consultant marketing director senior marketing manager

Nearly every one of the migrants interviewed, who came to Helsinki for job reasons, came here because they thought it was a good career move and their professional life would benefit from working in Helsinki. Only two of the “job-migrants” came purely for economic reasons; for the better wages and the resulting better standard of living than in their home country. Therefore it is a valid question to ask whether there was or is something special in the migrants’ field of work in Helsinki that brought them to the city. The international appeal is extremely important for attracting highly skilled expertise from abroad.

Nokia, the leading global player in Finland was obviously well known. Working at the head office of such an international company was considered a good work experience, and something that looks good on the CV.

*I: “Do you think it’s held prestigious for foreigners to work for example the headquarters of Nokia or anything like that?”*

*R: “Yeah sure. I mean looks great on the CV as well. (--) of course the, I mean, great value for your professional experience as well, for your future career if you want to jump out somewhere, gives a lot of value. So it’s a great brand as we know, it is not only here it’s all over the world, so. Global company then makes things more valued for your future career as well.”*

Interviewee 6, ICT

Nokia is of course a flagship of the whole ICT industry in Helsinki. But the ICT sector, Finland’s primary international industry and the key driver for economic growth in recent decades, is more than just Nokia. The reputation of Finnish ICT in general is reasonably good in the eyes of foreign professionals. Certain sub sectors are particularly attractive, such as ICT security.

*“So it’s not that big a city, there’s only a limited number of areas you can really sort of specialise and be very competent. I think if you try to attract or like get a reputation in some areas you have to specialise. So this sort of area of IT I’m in [IT security], it’s got a reasonable good reputation-“*

Interviewee 21, ICT

Our interviews also revealed that Helsinki also has something special to offer for “highly creative” workers. In particular, Scandinavian design is fairly well known and appreciated abroad, and can play a part in attracting creative people to Helsinki. Also the music scene gets some positive comments.

*“I think it’s for sure an interesting city for creative people, there’s a lot of things going on here, which you wouldn’t even expect. I mean of course you always hear about Scandinavian design, but I think it’s a very upcoming place also for design, or there’s a lot of interesting things going on in fashion, in industrial design and all these areas. It can also, you have this mixture of this eastern feeling, then the north, Scandinavian feeling and still a lot of international feeling. So it’s, you feel a very interesting mixture and it’s very alive here.”*

Interviewee 12, design

*“[...] my field, to be very precise it’s music education, so I’m very interested in both music and education. And Finland happens to be a country that’s very important in both*

*areas, because the educational system generally in Finland is considered to be outstanding. [...] And then also in the area of music, considering the size of this country it's amazing the numbers of classical musicians, especially those going on to very high profile and important careers. It's really quite amazing considering the size of the country how many Finns there are out there in the field of classical music who are well known, and highly respected. But it's not just classical music, I think there are outstanding performers in jazz, folk music, rock as well [...]*

Interviewee 19, music

In university research there seems to be some fields in Helsinki that are fairly well known abroad. One of them is biotechnology. Often foreign researchers are attracted to the city by a certain internationally acclaimed researcher. Working under a “star-researcher’s” supervision or as a part of his/her team is considered a very good career experience for academic professionals.

*I: "Well, is this in your field, how, is there anything in Helsinki, like is there a researcher or is there reputation in your field that makes it a good career move to get here?"*

*R: "Yes, yes, yeah. Absolutely, for my husband it's absolutely, because he always wanted to work with [scientist X]. He always wanted to work with him because he works [in this particular field of biotechnology]. His field is like really, he knew about this research much before we came to US and even Helsinki. But yeah my also, this department is very renowned and [scientist Y], with whom I'm working now currently like, he's also doing very good research. He has a very big group, and many people from all different disciplines and so."*

Interviewee 13, higher education

It is also quite common that foreign highly skilled people are recruited into fields that are lacking local expertise. When local expertise is missing, you bring in experts from abroad. Some of the migrants in our sample fulfil these criteria and are working in Helsinki in sectors that have no international appeal at all.

*"I am very impressed with the people that I work here with, their work ethic and their commitment, but there are lot of fundamental things that you wouldn't normally see that are missing, in Finland. And it was, therefore actually was easy for me to make a lot of improvements, because they weren't big things, but people just didn't have the perspective. So when you start kind of applying that, when the foundation is there, we actually came a long way in a very short period of time, because there were certain things that were so fundamental to business was missing from marketing perspective. Which was a surprise to me."*

Interviewee 20, marketing and business consultancy

*I: "Okay so that's not what brought you to Finland then, like 'They are really good in theoretical physics' -"*

*R: "No, actually they are not even on the map. [...] [Finland] in materials science has almost no reputation, which is I think one of the reasons [person X] invited me. [...] my university, [...] it's main specialisation is materials science. I think [he] thought it would be a good opportunity for me to both have some opportunity to come to Finland but also, because the expertise doesn't exist in Finland we can bring it from abroad."*

Interviewee 11, higher education

#### 7.4.2 Labour market possibilities and finding a job

The job situation among the interviewed migrants varied. Of all the 25 respondents, 15 had a prearranged work position when they arrived in Helsinki. The rest did not have a job when they came, and were faced with the arduous task of finding one. Naturally the four respondents who came to Helsinki to study in various master's programmes had come to the city for career advancement reasons. The remaining six interviewees had moved to Helsinki for reasons related to social relations, namely following a partner, either Finnish or their own spouse who had decided to come to Helsinki to work. For the migrants who did not have a job when they arrived in Helsinki, questions on employment were naturally very important. As highly educated professionals they were keen to find a job in the Metropolitan Area. For them the labour market for foreign highly educated people comes across much differently than for those who already had a job when they came to Helsinki. As we will see, immigrants, also highly skilled and highly educated ones have real problems of finding a good job in the Helsinki Metropolitan Area.

There are differences in the job situations of the creative workers and the knowledge workers looking for employment. The creative workers in our sample involved in music and design were more often freelancers and had worked in several temporary jobs. The labour market in the creative fields looks quite narrow in Helsinki according to our interviews. Naturally the level of expertise and the job situation when arriving also plays its part. Two of our creative workers can be classified as genuine top experts, who have been recruited here into good positions; to an international company and as a professor at the university. The rest of the creative workers in our sample had initially come to Helsinki to study or as in one case, following a partner. In their cases, finding a job in their own field of expertise was very difficult. For most of them work opportunities have been temporary, self-created, and emerged through long and intensive networking in their own field. One of the interviewees was still not earning his living in a job that corresponded to his skills, but had to work part-time as cleaner.

*"[...] I made some contacts and I tried to sort of go out to a few places to try to make some contacts with Finnish musicians, but as I said it seemed quite hard. [...] most of my attempts to get work here have been self created. [...] And parallel with that, I was thinking that I could do what I did in England, and get some part time work in any other field. And it's just... that was the big shock of realising that it is absolutely impossible. [...] As I said it doesn't really matter so much if I'm not playing in bars here. I can just make music here and release it wherever I want, you know online these days. The location of people is fairly irrelevant. So it just depends if I manage to generate some income from that, enough. I don't really want to live here for the rest of my life as a cleaner, or something, 'cause I can do that somewhere else."*

Interviewee 10, music

The migrants themselves wonder about the waste of resources of highly skilled people not finding a job, especially in the case when the person has studied in an international master's programme in Finland. Still, after being in Helsinki for years they still cannot find a job.

*“I’ve seen also some cases with the foreign doctoral students that they are educated here, taxpayers’ money pays for this education. And then we’re not that much taken advantage of, and many have to leave because if you don’t get a job here. I have colleague that who is brilliant, and he just, he has been doctor since February, and he cannot get a job here and he really would like to stay, but now he’s looking abroad. And Finland is going to lose that, and I think that happens too often.”*

Interviewee 18, design

The language skills in Finnish are the key to the labour market in Helsinki. Not being able to speak the local language is the main reason for the difficulties in finding a job. As mentioned earlier, the highly skilled immigrants are usually employed in companies and organisations with international operations. In fact, all our interviewees work in either an international company, at the universities or are self-employed, e.g. having their own consultancy firm. Finnish is very difficult for most immigrants, and the motivation to learn it is usually quite low if they have no plans to settle more permanently in the city. If they need to meet Finnish customers in their work, it is very difficult without the native language. In the experience of our interviewees, the language requirements are often ridiculously tough. The interviewees wonder why you need to speak Finnish even if they don’t need to use it in their work. It is clear that there is still a lot of negative attitudes and prejudice among the employers to hire a foreign person.

*“...and I went for an interview with a company who agreed to see me because it was a friend of a friend. And he said ‘Ordinarily, we just wouldn’t think of hiring you because you don’t speak Finnish’ and he said ‘You don’t need to speak Finnish to work for us’. He said ‘It’s cleaning, so anybody could do it, it’s not...’ He said ‘Our clients can speak English, so you don’t have to speak Finnish to speak to our clients’ but he said basically what they don’t want is black people or Russian people working for them. [...] So, we use Finnish, we use Finnish as a legal way of getting around the anti discrimination rules, to filter out black people and Russians. So I was just kind of shocked! [...] for someone to say it to my face, I was very surprised.”*

Interviewee 10, music

*“It was quite hard to find a job here, originally, because most of the companies that I like applied to, didn’t believe that I would stay in Finland, and so they were like ‘ Why would you [be] here, why would you stay here?’”*

Interviewee 25, ICT

One of the major obstacles in job finding besides language is the tightly knit professional networks in Helsinki. Many of the migrants have noticed that most of the hiring into new positions takes place through networks, not open advertisements. Often you can get an interview or a recommendation for a position through a friend or an acquaintance. For immigrants, getting access to these networks or “the inside information” distributed in them is difficult. There are feelings that these networks are even closed to foreigners.

*“The professional environment is, you know it’s okay, but it’s not great. I feel, I’m probably still very handicapped here. Maybe it depends on the person, but I’m not part of the same network that people would have been... I didn’t go to the army with anybody [...] I’m probably still very handicapped relative to Finns at my, you know at my position. So probably, mainly for that reason, Helsinki, still pretty limiting professionally.”*



*Of course it's nothing compared to Silicon Valley and no place is, and I still you know, that's the point of comparison, unfortunately, just nothing you can do about that."*

Interviewee 23, higher education

*"Being a foreigner in Finland is really really hard. [...] Being a creative artist in such a small, trying to get into such a small community, and that's where I think the cultural differences become more, apparent. Because if you're trying to integrate yourself, even if you're not doing it sort of aggressively, there's still the sense of 'who are you, what do you want here', and 'how much work are you going to take away from us if we let you in?' (laughs)"*

Interviewee 3, music

*"[...] it seems here that most jobs are filled only, I mean I don't know it myself so much, but apart from the two places I have worked I've only got because of friends or relations referring me, and that seems to be the case. And certainly my wife applies for jobs, she seems to find out about them through her network, they're never advertised before she applies for them and... so I think that culture seems more evident here, and it seems like to be more about who you know, maybe the professional groupings here are much smaller, so..."*

Interviewee 10, music

However, there were also a few positive comments on the small circles in Helsinki. One migrant thought there were more opportunities to show your expertise. In addition, if you manage to access the networks, it can actually make a difference to your career.

*"[...] because everything is so small and the circle is so small, it's easier for you to make yourself noticeable or how do you say... [...] I have the feeling that in general there are more options for you to show yourself as who you are than in other places. [...] I guess you can not generalise that everybody's willing to give you an opportunity but, in this university at least I have found those people that, at least to me and to other foreign friends have given us a chance to do things and to work and to show ourselves in a rather fair way."*

Interviewee 14, design

*"I would say that when I was finally accepted into the music community here, things got very positive very quickly. I think there's a really strong hierarchy here, if you fit into it and you sort of gain sort of amount of institutional protection and promotion, your career can take off very quickly. And that's kind of what's happened to me in the last couple of years, is getting that sort of institutional approval. I think of Finland very much in that way, it's a sort of meritocracy, you have to really work really hard to get the attention but once you've got it it's sort of, feels like a kind of mafia some way."*

Interviewee 3, music

The situation on the labour market varies according to the field of the migrants' expertise. Particularly in ICT, there are job opportunities for migrants to look for within the city. Some of the migrants in ICT who have been in Helsinki for many years have changed jobs while here, and most believe that there are work opportunities for them if they would like to work for another company. It makes it easier, at least in ICT, to find a job if you have worked in Helsinki for a while.

*“I think like a year ago then I got a job offer from another IT company, and that was the first time actually that I actually went to the interview. [...] then I really thought that okay, there may be a possibility to explore career also in Helsinki, even though when I came here I had not so much expectation.”*

Interviewee 22, marketing and business consultancy

*I: “Was that then at all easier, finding like a second job here, like once you got into the-“  
R: “Yeah, very much easier. Once you have like, once you have yourself established here, in fact, it was kind of like, I was called by them, so it was much easier.”*

Interviewee 25, ICT

### 7.4.3 Economic matters – salary and taxation

Economic incentives such as a higher salary are very important for migrants’ decisions to go work in another country. Offering a competitive salary is an important way for attracting foreign top experts to a company. However, Helsinki and Finland cannot successfully compete with most other European metropolises in terms of wages. Generally speaking, the average wage level in Finland is the same as for the European Union. However, taking into consideration the high level of income tax and the low purchase power of the Finns, the net salary level of the highly educated workers in Finland is among the lowest in the European Union (Moisala & Uusitalo, 2004).

*“[...] salaries were not high here, and are still not high. [...] after the years go by you know, 5 years, 10 years, 15 years [...] I start to realise I don’t have savings like I would have in the United States. People here in my profession, in what I do, I make half as much, or third as much as I would you know, in Silicon Vallew, though the cost of living in Silicon Valley, still the difference is huge. And then taxes on top of that, I don’t know. It’s just a huge difference.”*

Interviewee 23, higher education

*“Compared to US it [the salary] is little bit less, and I wouldn’t say it’s less, it’s just, this is a very expensive country, so even compared to other parts of the Europe, so that way you feel that you have less in your hand. Because it’s very expensive, food here is just double that compared to US or, everything is very expensive, because the taxes are so high, so that way you feel that it’s little bit tight budget.”*

Interviewee 13, higher education

*“[...] you’ll never get rich living in Finland, I’ve sort of come to accept that.”*

Interviewee 21, ICT

However, particularly for migrants from countries with lower standards of living, salaries in Helsinki can be competitive.

*“...so computer work is computer work here and computer work in Hungary so it should be... The main reason I am here is because I earn more here than in Hungary for the same job.”*

Interviewee 4, ICT

*“I think my salary here is higher than it is in Ireland. Taxes when I got here were the same as in Ireland, now they, because they’re higher, but the tax rate in Ireland has been falling. And I think they’ve got one of the lowest tax rates in the EU now. But when I got here it was about equal.”*

Interviewee 16, ICT

Quite surprisingly, the migrants we interviewed were mostly positive towards the welfare state system and fairly understanding towards the high income tax levels. Most of the interviewees said they recognised that the money they paid in tax came back somehow. This is quite striking, since many times foreign highly skilled migrants do not even use the public services provided, such as health services and schools.

*“The tax level is a little bit high here, but that’s justified because the state gives you so much back in return. Because the medical facility, we have medical facility through the university but if you don’t have that, for like the normal people, the Kela [The Social Insurance Institution of Finland], which is like a wonderful thing. It takes to get it, but once you get it, once you are in the system, and once everything gets channelised, it’s so easy, like all the healthcare is taken care of by the state which is very very logical and which is a very good thing to do, and that’s why they take the taxes, like your money, they are giving it back to you. So yeah, we don’t mind paying the tax.”*

Interviewee 13, higher education

*“[...] here you can really see [where the tax money is spent], there is like all these forest trails, all these free available super cool city maps with biking roads all over the city, that you really, it’s really tangible where the city is spending the money you know. All winter long all the roads are clean, and that’s something you can really see that hey, that’s my tax money. There’s somebody at 5 am cleaning this stuff. So in that sense I have felt like really, there is a real payback of my tax money right away. And then the fact of course that the kindergartens and school for kids are for free [...]”*

Interviewee 9, ICT

#### 7.4.4 Cultural differences in working life

One of the issues that got the most comments and responses was the cultural differences the migrants had experienced at the workplaces. Some experiences were good, while others were challenging. Because work is a large part of our highly skilled migrants’ lives, how content they are with their jobs and workplaces is crucial to how they perceive life to be in Helsinki. If the migrants have large obstacles to overcome adjusting to work, they might not be willing to stay long. On the contrary, some cultural aspects at work can be very positive, and contribute strongly to the decision to stay in Helsinki.

Clearly the principal difference when working in Helsinki compared to many other places seems to be a relatively relaxed working culture. Most of the migrants commented spontaneously on the nine-to-five working hours of Finns. Particularly in the beginning many felt frustrated by this, questioned the work ethic in and thought that Finns are lazy. This cultural difference relates to the Nordic welfare state model, where generally the working hours are regulated and the workforce is also fairly organised.

*“It’s sometimes my feeling, OK if there’s a job time from eight to four or something, and when it’s finished it’s finished, it doesn’t matter and go home. So my opinion was that they are not working so hard than in Hungary.”*

Interviewee 4, ICT

*“[...] I was expecting Finns to be very much like Germans, you know highly effective and like really ‘job job job job’ minded. And it’s not like that at all. There’s so, sometimes a bit too laid back, [...] As a Spaniard I get to hear these ‘mañana mañana’ all the time [...] But in Spain people react in general work wise way much faster, it’s like, people are really reactive like immediately, like hey there is this, and then, and you stay all evening if you need to solve whatever. Here [in Finland] is where the real ‘mañana mañana’ works, you know like ‘We have to do this!’, ‘Okay let’s arrange a meeting next week’, ‘What?!’ And I’m fighting for that still like today, in my daily work it’s like ‘No, I’m not having this meeting next week, we have to make this really happen now, this week, latest on Friday we must have this meeting’. And people are looking at me like ‘Wow man, relax!’”*

Interviewee 9, ICT

*“Then I thought that Finns are so lazy, I hated it, I was... I got so annoyed that people would actually go home at 4 or 5 or something. Or on Friday at 3:30 they would start talking about getting a beer. It was so annoying! And I think I was working always until 8 or 9, despite that the whole office would be dark and... [...] There were many episodes where we had customer complaining about a bug, and our Japan office people were staying until midnight or something, and with the time difference Finland would be like 5, 6 pm on a Friday, and there would be no-one left helping except me. [...] I was so frustrated with Finnish people! I really thought that you are lazy!”*

Interviewee 22, marketing and business consultancy

However, many of the migrants have learned to value and appreciate the more stress-free working life, that allows for leisure activities and more time for family and friends. This is a strong point of Finnish working culture that can be attractive especially for migrants with families.

*“But Americans have this very kind of protestant work ethic that they never take vacation times, they never stop working because the social system doesn’t really allow for that there. And that kind of got to me, whereas in Finland I think people have [...], more concern for quality of life, rather than material wealth.”*

Interviewee 3, music

*“Yeah well, here at least it’s more like a work, so you come at nine and you leave at five or something like that. While there [in Switzerland] you stay much longer so you don’t have any other life. So it’s much nicer here.”*

Interviewee 5, higher education

Another frequently mentioned cultural difference at Finnish workplaces is the low hierarchy. It was mainly considered a very positive thing at work, particularly for the office atmosphere.

*“And I was impressed that, almost every morning, [the boss] was coming and shaking hand with me. You don’t have this habit here in Finland, but in Romania it’s usual, you meet somebody you’re shaking hands. And I think he knew from the summer that we have this habit, and every morning he came to my office and he asked me if I visited something previous day, if not he was coming with a map from the telephone book and he show me ‘Okay you can go there, here is a museum, here is a park’... And I was little bit, almost scared that such a big boss is coming. What he wants from me? [...] He was almost too friendly, you know. Quite, very big contrast even from Romanian company...”*

Interviewee 2, ICT

*“I mean it’s also very flat [hierarchy], you know I’m talking to my boss like I am talking to anybody else. [...] Yeah the hierarchy, there is basically, I mean of course there is hierarchy in reporting and like who tells who what to do, but not in terms how you behave with people. Everybody there is in a good mood, you make jokes with anyone, people are actually really like picking each others and like teasing, like ‘Ha, you never do any work, you’re such a lazy bastard’ and it’s really, I really like that atmosphere in that sense.”*

Interviewee 9, ICT

The flip side of the low hierarchy is that workers are expected to be independent, and for someone used to having more guidance this may be challenging.

*“... [there is] this... very marked independency. Which is related to the lack of hierarchy, it’s much less hierarchical than in Colombia. And in that sense, if you are, if you don’t know how to play outside of that system you can get a bit lost and not know what to do.”*

Interviewee 14, design

Some migrants had experienced major difficulties related to communication and the Finnish mentality in general. Particularly migrants from outside Europe faced some cultural clashes at the workplace. One of the challenging issues mentioned was the Finnish straightforward style of communication. On the other hand, compared to many more outgoing and marketing minded cultures, Finns are regarded as too humble, not willing to take initiatives, too content and also lack the team working skills.

*“...it was the first time for me to work for foreign company, so I was, surprisingly I had problems with people talking too straight, too direct, especially women. [...] then I wanted to say my opinion but in the meetings, because I have learned in Japan that women are supposed to quiet, then I would be silent, and then I’d go to my boss later like ‘You know about that thing, it’s like this’. Then the boss would be like, ‘Can you please like speak up during the meeting?’ [...] Or then after that I would try, I would be like, I have something to say and I would raise my hand, which was the way to do it in Japan (laughs), and eventually a colleague told me that you don’t need to raise your hand and wait for your turn, just speak up!”*

Interviewee 22, marketing and business consultancy

*“I found that always the people undersold themselves. So for example when I went to a conference and I wanted to talk proudly of my group, my group always made me a liar (laughs). Somehow they never were so confident. There’s a sort of, I felt like a little annoyed at the lack of confidence like, you’re smart people, you’re clean people, you’re good people, why don’t you sort of be a little more tough in your image? They always seem to be like quiet, in seminars they never talk, so they always give the impression that they’re not that great, even though they’re just quiet!”*

Interviewee 11, higher education

*“I wish there would be a more, a better sense of teamwork, I don’t know it’s like a, that’s like a hot topic word that everybody claims that they are doing teamwork, but in practice I don’t think it’s really happening. And I guess that has to do with the fact that definitely people are much more individual in Finland than in a place like Colombia for example. And that strong sense of individuality, I like it in many ways but also in many ways I can hate it sometimes, it really bothers me.”*

Interviewee 14, design

#### **Working life and career perspectives**

- Helsinki has a knowledge-intensive and technological profile. The ICT sector seems to offer the best job opportunities for highly skilled migrants.
- The migrants who did not have a prearranged work position had problems with finding a job in Helsinki. Finnish language skill requirements are one obstacle.
- Salaries for highly skilled workers in Helsinki are not competitive compared to other European metropolises because of the high levels of income tax and the weak purchase power in Finland. Taxes are high as well, but many of the interviewees did not see the tax level as a problem, and were pleased with the welfare state model of taxation.
- The migrants feel that the Finnish working culture is quite relaxed and the hierarchy is usually less pronounced at the workplaces. In some cases it took time for the migrants to adjust to the Finnish working culture, but interviewees were mostly happy about it. Some migrants had problems with the Finnish way of communication and the mentality in general.

## 7.5 Housing

Housing is one of the central aspects of our research and this theme was discussed extensively in our interviews. We wanted to learn about the migrants' housing career in Finland and their opinions and preferences on housing issues. The interviewees had plenty to say about housing, and it seems to be one of the weak points of Helsinki Metropolitan Area. The skilled migrants' satisfaction with housing affects their general opinion of the city and that is why it is important to investigate closely their housing situation and preferences.

### 7.5.1 Finding a place to live

Finding an apartment in Helsinki is generally a challenging task, but it is even more challenging for a foreigner. The housing market is small and the amount and the quality of the available apartments, especially rental ones, is not always satisfactory. In addition, the practises of the Finnish housing market are usually unknown to foreigners, and it takes time to get adjusted to the local customs. The housing market functions mainly in Finnish, which makes the search even more difficult. Those of the interviewees who had personal contacts in the city got help in finding apartments, but others found it more difficult. The housing market is not very welcoming towards foreigners, and in some cases they are only able to get an apartment that nobody else wanted. Usually the first apartment in Helsinki was chosen by accident, or it was the only choice.

*“I think that it was extremely difficult at that time to find an apartment that I wanted to go to, I lost a lot of competition, I think I looked five six apartments and they never chose me, and I thought that oh, it must be because I'm not in Nokia, I'm a foreigner but not from Nokia, I don't speak the language, and somehow I got this feeling that it's so tough for foreigners to find apartment, and that's understandable because in Tokyo if someone was renting an apartment they wouldn't want to rent it to a foreigner, 'cause it's just difficult to trust them. What if they disappear without paying rent or something? It felt, difficult and bad at that time. [...] Anyway, finally this apartment in Töölö was given to me, because well I don't think anyone else wanted it because it was on the first floor and it was 30 m<sup>2</sup>, and quite bad shape, I don't think anyone else wanted it and I thought okay this is the best I can get.”*

Interviewee 22, marketing and business consultancy

*“And also the private rental market in Helsinki is ridiculous. We had no luck at all, finding an apartment, and every time we did we'd lose it because... They have this strange practise here, not showing the apartment until it's empty, and they want somebody to move in right away, which means you have to pay double rent during one month, which we were not able to do. We lost one apartment after another, really great places.”*

Interviewee 3, music

Many of the interviewees who came to work at the universities in Helsinki could at first stay at an apartment owned by the university before they had to find a place of their own. This help was seen as valuable and helpful, and it gave the migrants time to get to know the local housing market and the city itself.

*“Well they [the university] own flats that they call integration flats I believe, and you get those for three months when you first arrive in Helsinki, which is quite useful ‘cause that then actually gives you time to find a place on the private market, which is a bit of a challenge. [...] that initial support was quite critical, actually, I think.”*

Interviewee 1, higher education

*“They let me use the institution’s apartment for about two weeks, in which I could look, it was three weeks actually I think, and during that time I had to look for my own apartment, and I really appreciated that and it was important to have that period in which I could look, it was very hard to find the apartment. I was surprised at how hard it was... [...] I eventually, on the last day right before I had to move out, I found one that I really liked, so it worked out fine, but I was pretty worried up until the last day, because I kept finding apartments that were round the amount I was willing to pay, but they were actually really inconveniently located, were not such nice places, or I’d find ones that were really nice but were way too expensive. It’s just hard to find the right place. But I’m really happy now, where I’m living.”*

Interviewee 19, music

Few of the interviewees who had a pre-arranged position in Helsinki received help in finding an apartment. Companies themselves offered housing possibilities, or bought relocation services for the newcomer. Migrants who had been assisted this way appreciated the help. However, even with the help from a relocation company, the choosing of an apartment can be quite random if you are not familiar with the city.

*“It was actually good setup because the company itself, and I said when those dotcom companies have too much money, they also give too much, in that way. So they offered me all those things in advance, so I did not have to find an apartment by myself, so the company offered the apartment.”*

Interviewee 6, ICT

*“[...] when I arrived I didn’t even know where I am and it was dark all the time and the agency just brought me to different apartments and I just picked a nice one. But I had no idea where I am (laughs), they just said ‘Yeah it’s close to [company X], and it’s a nice area’, and then one of my design colleagues is also living close there and I thought it’s okay [...]”*

Interviewee 12, design

Those who owned their apartments were in the minority in our sample. Of the 25 interviewees, 17 lived in rental apartments and eight owned their dwellings. One of the interviewees had built a house for his family on the outskirts of the Metropolitan Area. The popularity of renting is partly caused by the temporary nature of living in Finland. Also the Finnish language makes the system of ownership of apartments hard to access. All but one of



the interviewees who owned their apartments worked in the ICT sector, and all but one of them had been in Finland more than 5 years. Family situation in the owner group varied; however, five of the eight households were families with children. Motives for buying a house varied. Someone wanted to have stability in the housing situation, while another respondent bought an apartment just to save money.

*“Well, as my family came also here we wanted to have some stability. You may know, when you are renting you cannot have some kind of permanent contract, so. You have to renew or look for new one every year or whatever. (--) We just wanted to have a place just to stay there, to organise a little bit house and we were thinking maybe we have to buy some apartment to do that, otherwise it would have been difficult to find some permanent apartment which we liked at that moment so.”*

Interviewee 7, ICT

*I: “You said you bought your own place now, what made you to do that?”*

*R: “Oh just to save money, it’s a terrible waste of money to pay rent every month and, I only wish I had bought it sooner. Actually it’s been quite a while, it was in 2004 when I bought, I’ve had it for some time now so.”*

Interviewee 21, ICT

Mainly the buying of an apartment seemed to be a smoother process than finding an apartment in the rental market. Obviously the migrants who had bought their apartments had been in Finland longer and weren’t in such a hurry to find a place as those who had just arrived.

*“And I didn’t have any real difficulties in buying or any trouble with banks or anything. I remember when I first came to [company X], I was asking about buying somewhere and some of the people said, foreigners said that they had some trouble getting bank loans from Finnish banks, that might have been just back then, but I never had any trouble any way... I didn’t understand everything in the contract but, it’s been okay apart from that.”*

Interviewee 21, ICT

### 7.5.2 Standard of housing

Finnish standard of housing was generally seen as deficient by our interviewees. This finding is in line with the opinions of Finnish skilled workers and company managers studied previously (Kepsu & Vaattovaara, 2008a, 2008b). The feature that got the most of the critique was the price-quality ratio. Most of the interviewees saw that the price of housing was high compared to other European cities, and also in relation to Helsinki’s size.

*“[...] it was a bit hard to find something nice and I was also really surprised by the high rents here, because it’s almost like living in London or somewhere, and I still don’t understand why it’s that high.”*

12, creative worker

*“[...] they notice it at the latest when they come here and see the apartments, that you don’t get a three room apartment with 500 Euros. Many of them may have lived somewhere in Europe where the rents are lower, and the reality may come as a surprise.”*

Jutta Evokari, relocation services agent, Vuokraturva

The background of the interviewees and the point of reference obviously affect their assessment on the pricing levels and on the housing situation in general. Some people who had experience of living in world cities didn’t necessarily view the Helsinki price levels as overly excessive.

*“It’s sort of expensive but not as expensive as it was in London so I don’t notice it that much.”*

Interviewee 10, music

*“Again, within my living standards, probably I get a little more for my money, of course I mean Manhattan is Manhattan, you get a lot smaller about the same price... So no, I mean it’s, again, I’m probably an outlier, I’m very lucky, so I have a great house, it’s [the standard of housing] probably same or better [in Finland].”*

Interviewee 20, marketing and business consultancy

Size of the apartments was also a widely discussed topic. Finns live tightly, and many of our interviewees wondered about the small size of the apartments. Especially migrants from North America considered the Finnish apartments to be too small, but also other nationals gave critical comments.

*“Well the company had actually rented a flat for me, but it was an 18 m<sup>2</sup> apartment, and even if I come from Tokyo, that was still like- [...] I was like ‘What?! You’re expecting me to live here?’”*

Interviewee 22, marketing and business consultancy

*“I’ve never lived in a smaller place in my life than when I moved to Finland, and when my wife and I moved in together I’ve, it looked big because we didn’t own anything, I mean we literally owned nothing when we moved in with each other, we had like a sofa and I think that was it. And we had to get everything else, but it filled rapidly and then you look around and, we were lucky, it was like 42 square meters and I know people who live in 18 m<sup>2</sup> as a couple. And, somehow in a country like Finland that has space, I mean it’s not the Netherlands, it seems, I just don’t get. There doesn’t seem to be like a valid reason for why this is such a problem.”*

Interviewee 3, music

One peculiarity of the Finnish housing market which came up often in the interviews was the one-room apartment. This mode of housing is common especially in the city centre of Helsinki, where the housing stock is old, expensive and wanted. The one-room apartment is not strange for the Finns, but according to our interviews the migrants prefer having at least a separate bed room, even if they live by themselves.

*“[...] there is no grown-up coming from Central Europe who would live in a one-room apartment. Every person needs a separate living room and a bedroom.”*

Henni Ahvenlampi, relocation advisor, City of Helsinki

*“The single people want to live in the centre, and one-room apartments are not wanted even if they live by themselves. It should be at least one-bedroom apartment. These people are cosmopolites and have many friends all over the Europe, so when they have visitors a separate guest room is needed.”*

Jutta Evokari, relocation services agent, Vuokraturva

Rental apartments in Helsinki can sometimes be in a dissatisfactory condition. The apartments are rented out as they are, and the migrants would expect them to be in a better condition.

*“[...] they are surprised by the condition of the apartments, in Finland the rental apartments are not necessarily in a good condition. Especially someone from Central Europe is used to having the walls painted and everything put into order after the last tenant when he moves to a rented apartment. In Finland it's not like that, the idea is to rent out the apartment as it is [...]”*

Jutta Evokari, relocation services agent, Vuokraturva

The new housing stock and the new housing areas also got some critique. In the new neighbourhoods it is often easier to find available apartments, but not everyone is satisfied with them.

*“You could say that they don't have like so much characteristic, they are also packaged similar looking and the layout is the same inside, and it looks like a miniature Lego that you put together, and there's no character. So that's why now I think like apartments in Helsinki area, it has the character because it's so old and unique, but each of the inside is so different because everyone has renovated over the years. I loved living in Munkkiniemi, two times, both of the apartments I just adored, because the building itself is so old and yet it has this grand feeling.”*

Interviewee 22, marketing and business consultancy

*“The new apartment blocks in Arabianranta or Herttoniemenranta are otherwise good, but they always get remarks about the density. The balconies are made of glass and the neighbours' balcony is just a few metres away...”*

Jutta Evokari, relocation services agent, Vuokraturva

*“[...] the migrants don't see any differences in the new housing stock, they say that it all looks the same. And there are young trees in the yard, and a thought that no one has been born in there...”*

Henni Ahvenlampi, relocation advisor, City of Helsinki

There is much to be improved in the housing market in Helsinki. The finding of an apartment often seems to be a fairly hard task, and the quality of housing is not always satisfactory. Systems to help the foreigners in their apartment search would be faster and easier to establish than changing the housing stock.

I: “What kind of housing would be needed more in Helsinki from your point of view?”

R: “Apartments that are in good condition. They don’t have to be new, but just tidy and in good condition. [...] they don’t even have to be in the city centre, but within good transportation connections. There isn’t much space to build more housing in the city centre. Let’s say that big one-bedroom apartments, they are wanted. Single people want them, and also the couples.”

Jutta Evokari, relocation services agent, Vuokratuura

“It’s a question of various customers and various needs. The small apartments are the easiest to find, like one-bedroom apartments and such, but of course the reasonably priced family apartments are [lacking].”

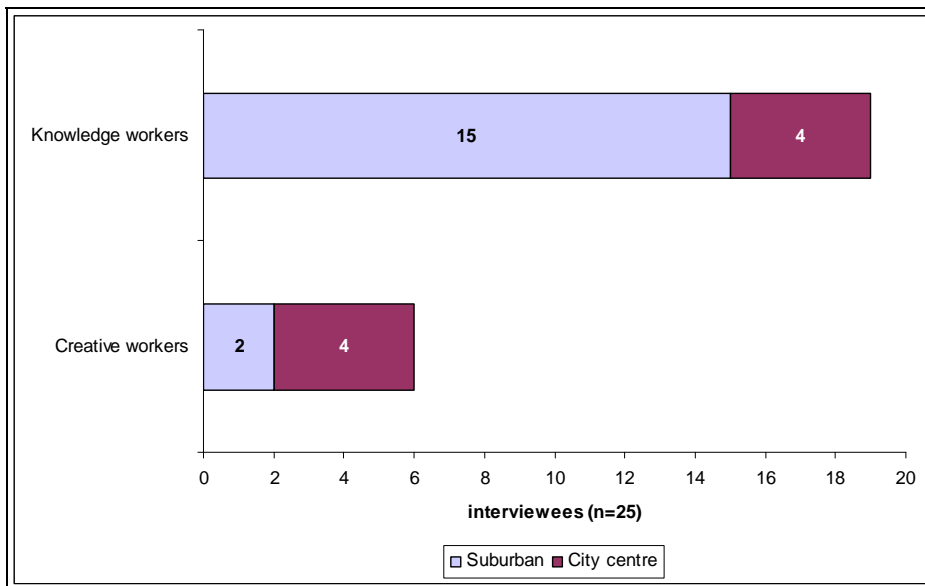
Marjo Lautjärvi, managing director, Finland Relocation Services

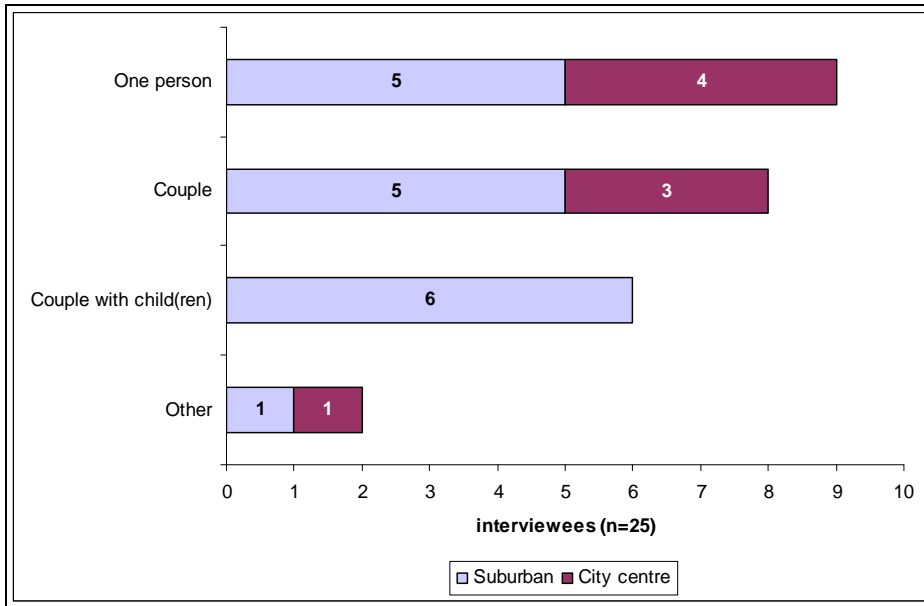
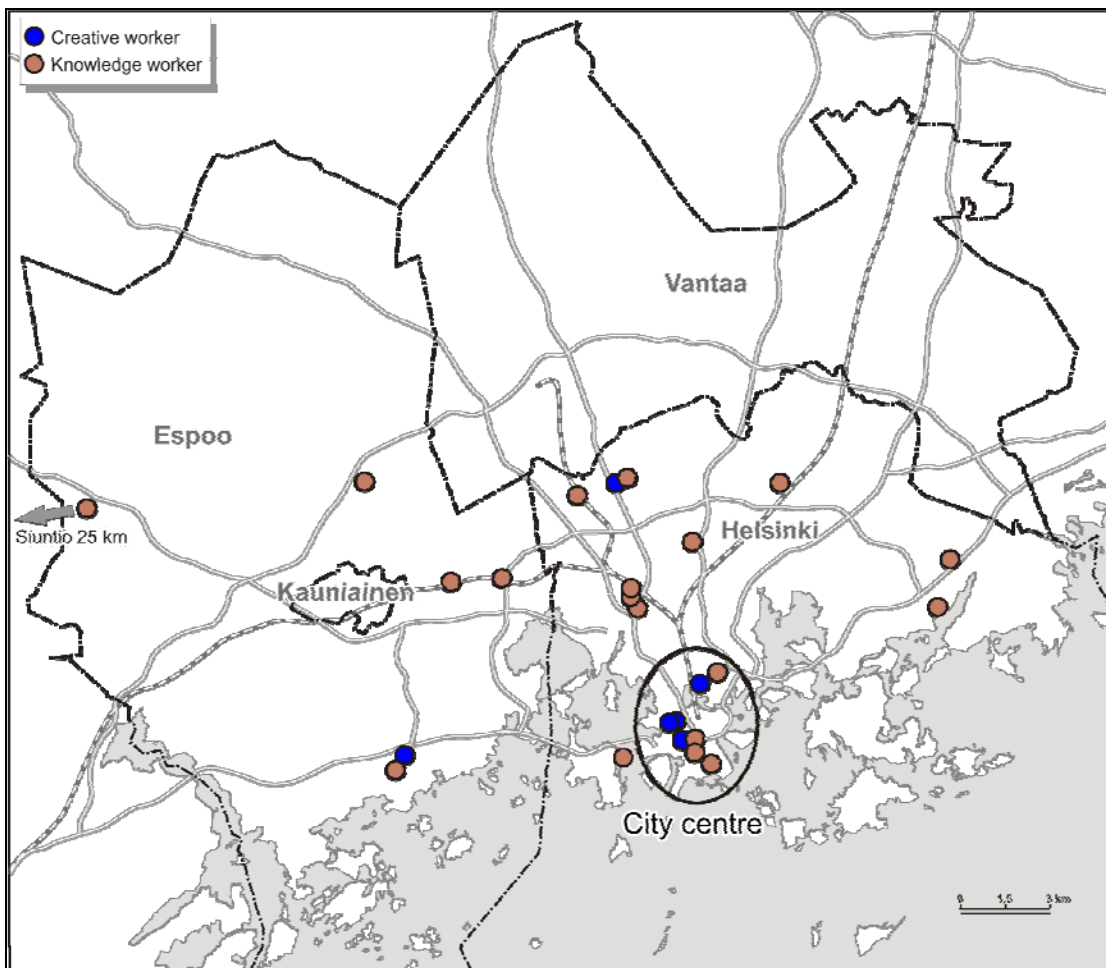
### 7.5.3 Choosing a neighbourhood

Eight of the interviewees lived in the city centre and 17 in the suburban area (Figure 7.3). Of the knowledge intensive workers, the majority lived in the suburban area, including all the families with children. Five out of six creative workers lived in the city centre. Maybe if there would have been more creative workers in the sample, particularly with children in the family, the ratio between the interviewees living in the city centre and the suburbs would have been more balanced. However, our previous studies have shown that highly creative workers more often look for inner city locations (Kepsu & Vaattovaara, 2008a). Households with one or two adults lived both inside and outside the city centre (Figure 7.4).

The interviewees lived mainly in the suburbs of Helsinki (Figure 7.5). Five interviewees lived in the neighbouring city of Espoo, and one person in Siuntio, a municipality approximately 50 kilometres from Helsinki.

Figure 7.3 - Working sectors and residential areas in the sample



**Figure 7.4 - Households and their residential areas in the sample****Figure 7.5 - Residential areas of the highly skilled migrants in the sample**

Map: Arttu Paarlahti, Department of Geography, University of Helsinki

When the migrants come to Helsinki for the first time, their initial wish is to locate in the city centre in order to be able to move around quickly. Most of our interviewees didn't have a car, so they are dependent on public transportation links. However, many of the migrants do not end up living in the city centre because of the high prices and varying standard of the housing in the area. When the city becomes more familiar, the choices of neighbourhood extend and the migrants often settle for other locations, usually near good transportation links.

*"[...] if the customers have never been here they all want to live in the city centre. They think they have to live in the city centre because the commute is otherwise too long. When we suggest Espoo, they say 'Oh no, it's a different city, we can't go there'. But when you tell it's only 15 minutes to the centre on the expressway [...] They usually get the picture when we drive around and show where everything is. So many who wanted to live in the city centre within walking distance have ended up moving to Tapiola or Haukilahti [neighbourhoods in Espoo], and they are happy."*

Jutta Evokari, relocation services agent, Vuokraturva

Many of our interviewees had located themselves in the suburbs of Helsinki or the neighbouring city Espoo. Two other cities in the Helsinki Metropolitan Area, Vantaa and Kauniainen, were not represented in our sample, although one of the interviewees had owned a house in Vantaa earlier. This is probably due to the distance, but it is also a possible that questions of image are involved in the decision making process.

*"Because I have experience of buying a house in Vantaa, I don't have so much, I'm not against Vantaa at all, so I wouldn't mind anywhere but I have learned that Espoo is a little bit like higher standard, and yeah it's just an image. Japanese people, we value image and brand and so on, so when I have learned that I'm like okay with my boyfriend saying that he's an espoolainen [Espoo person] and like this is the area, I'm like okay if that's, because it takes time to learn that that's a kind of brand, [...]"*

Interviewee 22, marketing and business consultancy

When choosing a neighbourhood, we can see from the sample that the stage of life-course is essential. In our sample, all of the families with children lived in the suburban area. Here, the housing situation of the migrants resembles the situation of the original population, where families appreciate the peacefulness and greenness of the suburbs. Also the families with children need larger apartments, which are more affordable on the outskirts. However, good transportation links remain important.

*"[...] the families usually wish a green, peaceful and a safe neighbourhood. And even though Helsinki is the capital city and there are a lot of people here and sometimes we might feel unsafe, I've received a lot of feedback that it's so safe here, the children can ride on the bus and on the tram by themselves. However the majority want to live in a more peaceful area [...]"*

Jutta Evokari, relocation services agent, Vuokraturva

*"So we end up actually having paritalo [semi-detached house] in practise, and that's how our current, house setup. Within Helsinki we never thought about that option, because we don't think it is, somehow it isn't bring to that family setup. Of course you can live there in flats but from financial point of view it's quite difficult to bear it. So for*

*example if you're single, or if you don't really have kids, then it's good option. But when you move to the family level it might be a little challenge. The only challenge that we saw and we still see is the fact that Helsinki is pretty expensive when it comes to accommodate houses on the level of family."*

Interviewee 6, ICT

Another factor influencing the families' choice of neighbourhood is the location of suitable schools. Many migrants prefer their children to attend an international school, which tend to be scarce in the Helsinki Metropolitan Area. In general the distance from home to school has to be as short as possible.

*I: "What factors are most important for these people [skilled migrants] when they are choosing their neighbourhood?"*

*R: "If they have children the school going is number one priority. The way to the school has to be as easy and short as possible. The other factors are the location of the workplace, transportation links, possibly the attainability of the services, and these kinds of elements."*

Marjo Lautjärvi, managing director, Finland Relocation Services

*I: "What made you choose [suburban neighbourhood X] as a place?"*

*R: "Because my, all two, all the children go school in the Steiner school [specialised, private school], what is, it in that way, and it's much easier to go to school from [suburban neighbourhood X], because there's just a highway and there is a bus stop and it's very fast to come here."*

Interviewee 4, ICT

Over half of the couples and singles also lived in the suburban neighbourhoods. Their reasons for choosing the neighbourhood varied, but in many cases it was a question of price. In addition, when living on the outskirts, the availability of transportation links is highlighted. When comparing our sample of skilled migrants to our previous sample of Finnish skilled people (Kepsu & Vaattovaara, 2008a), we see that the migrants appreciate even more the good transportation connections than their Finnish peers. This of course relates to the fact that not many of the migrants had cars.

*"I don't mind so much. As long as the, I don't drive to work and since I'm living in the centre or sort of working in the centre I don't, anywhere there's decent connection is fine for me, so I don't mind so much. The centre's too expensive I think, but once you move like outside a few kilometres then it's quite affordable I think. So I don't have any big preference in area."*

Interviewee 21, ICT

*I: "What about then when you chose the other apartments where you lived, what are important factors for you when you chose a place to live?"*

*R: "Transportation and the reputation of being safe or not, clean or not."*

Interviewee 22, marketing and business consultancy

Only two of our interviewees lived in the eastern suburbs of Helsinki, which conflicts the more general trend of immigrant concentration in that part of the city. From our sample it is obvious that the highly skilled migrants' choices of location follow more the preferences of the local Finnish skilled workers than the preferences of overall immigrated population in Helsinki. This relates to the location of the migrants' workplaces: they were usually in the inner city area or in Espoo. The two persons who lived in eastern part of Helsinki had located there partly by chance. One wanted to live in a rental apartment owned by a housing company instead of a private landlord while the other respondent got an apartment there because he was the only one who went to see it.

*"[...] one thing that was hard was finding a place, I mean, people also look at a foreigner, like 'I'd rather not have a foreigner renting my place'. And when I was looking for my own place, [...] always there would be like a whole bunch of people there, there might be someone from Nokia with their piece of paper saying 'I will pay the rent', and then of course you can just forget it. And I ended up actually living in Puotila [neighbourhood in eastern part Helsinki], because I was the only one who went to look at the place! And it was also owned by a Finnish-Swedish woman, and it seemed that they're a bit more open to foreigner renting than like a Finnish person..."*

Interviewee 25, ICT

Of our 25 interviewees, eight lived in the centre of Helsinki. They chose the city centre because of the good location and because they wanted to be "where the action is". The ones who lived in the city centre had an urban lifestyle and spend their free time mostly in the city centre, enjoying the services and cultural amenities.

*"I just like the, 'cause Finland has so little buzz compared to London, what little of it there is I'd like to be close to. Even if it's not like we go out every night and, it's just having the potential to go out every night, to just walk out of the front door and ten minutes later be in the centre of town, and... I don't like, I like not having to leave bars when everyone else does it, you know one o'clock to get the night bus home and, so it's mainly location."*

Interviewee 10, music

*"So I wanted to be close to the buzz of the city centre, and I think that's what Punavuori offers, 'cause it's within a walking distance. And also the transport links as well, and access to services [...]"*

Interviewee 1, higher education

*"[...] knowing that I was going to be alone, I didn't want to be in the suburbs because I didn't want to isolate myself, and, and I wanted to kind of, I liked the city living, especially when you don't have a family, with a family it's great to have a backyard and a house and all that [...]"*

Interviewee 20, ICT

Four of the six creative workers lived in the city centre. But, it has to be taken into consideration that our sample of creative workers did not include any families with children.



Nonetheless, one of the creative workers described her preferences for a particular inner city neighbourhood:

*“But we like it, the diversity of population. I dislike a place that is too pure and too perfect and too uniform. And it’s becoming nicer all the time, the new small shops and restaurants are opening up in the area, so I like that.”*

Interviewee 14, design

The choice of neighbourhood is always a compromise. Those living in the suburbs appreciated the peacefulness and the green, but they missed the social life of the city centre. Then again, people living in the city centre enjoyed all the options that it offered, but they also suffered the side effects of the buzz.

*“I like that it’s, like I just step out and I’m in the forest. So that’s one thing I like. [...] Yeah I was discussing about that recently that, watching Friends [TV show] and how great it is to have a bar where you hang out with your friends, and where it is easy to meet, or where you just pop by and you know you’re going to meet your people. And of course that’s something you can do when you live downtown, but it’s not really something what you can do out there in the outskirts, because these bars are exclusively populated by drunken people.”*

Interviewee 9, ICT

*“I really miss the, yeah social part. It’s only apartments, and then there’s [a shopping mall], but there’s even not a coffee place, a bakery or... I just miss these little things, it’s this one block in the middle, you can get everything of course, somehow it’s nice if you’re stressed and you work, you just run there to get everything, but if you just want to go for a coffee or, and I don’t want to sit in a shopping mall all the time or whatever, I mean usually I go in Helsinki [centre]. That’s something I miss, yes.”*

Interviewee 12, design

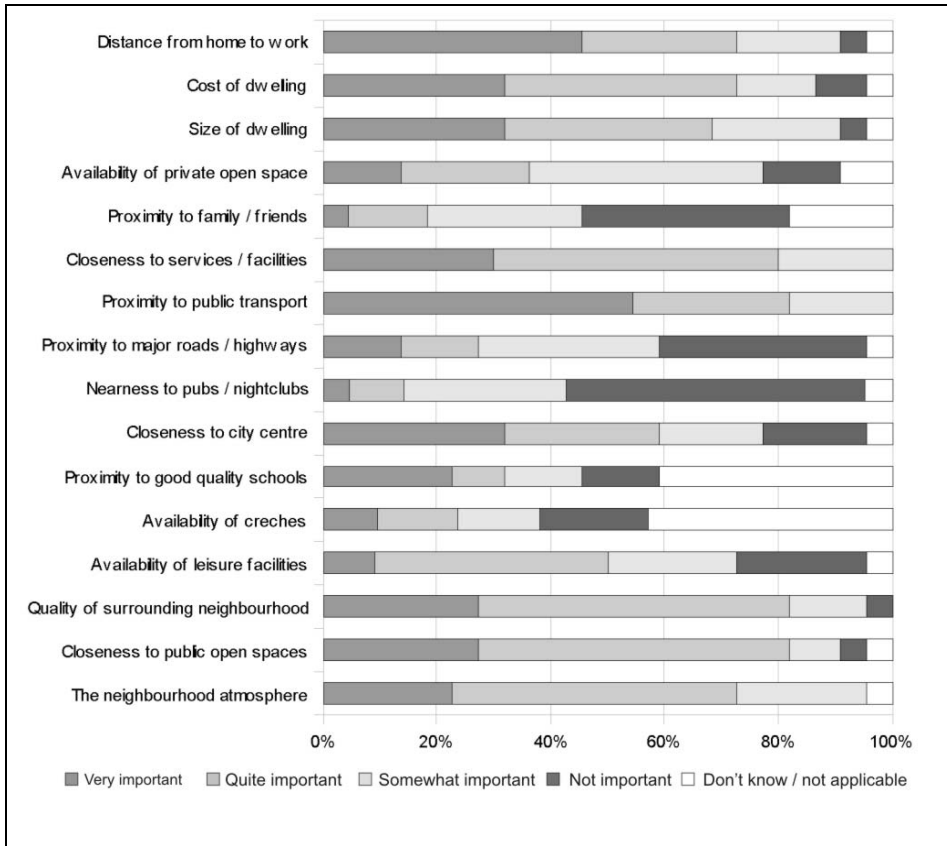
*”[...] other thing is that when all the clubs are here [in the city centre], and if you go home on a Friday or Saturday night, there are too many people who are drunk and always shouting something and peeing [...]”*

Interviewee 17, marketing and business consultancy

Generally speaking, the highly skilled migrants’ choice of neighbourhood reminds their Finnish peers’ preferences. Since the price level of housing is high, many prefer the more affordable housing in the suburbs. In addition, the families with children value the quietness and the greenness of the suburban neighbourhoods. A minority of our sample lived in the city centre as households of one or two adults. The amount of creative workers was small in the sample, but it seems that the creative workers prefer the central location more than the knowledge workers.

In the interviews, the migrants filled in a questionnaire which was used in previous ACRE study (Kepsu & Vaattovaara, 2008a; Appendix 3), rating the importance of certain factors for their decision to move to their current neighbourhood. When comparing these results (Figure 7.6) to the results from a survey with the Finnish creative knowledge workers and graduates (Figure 7.7), some interesting similarities and differences can be found.

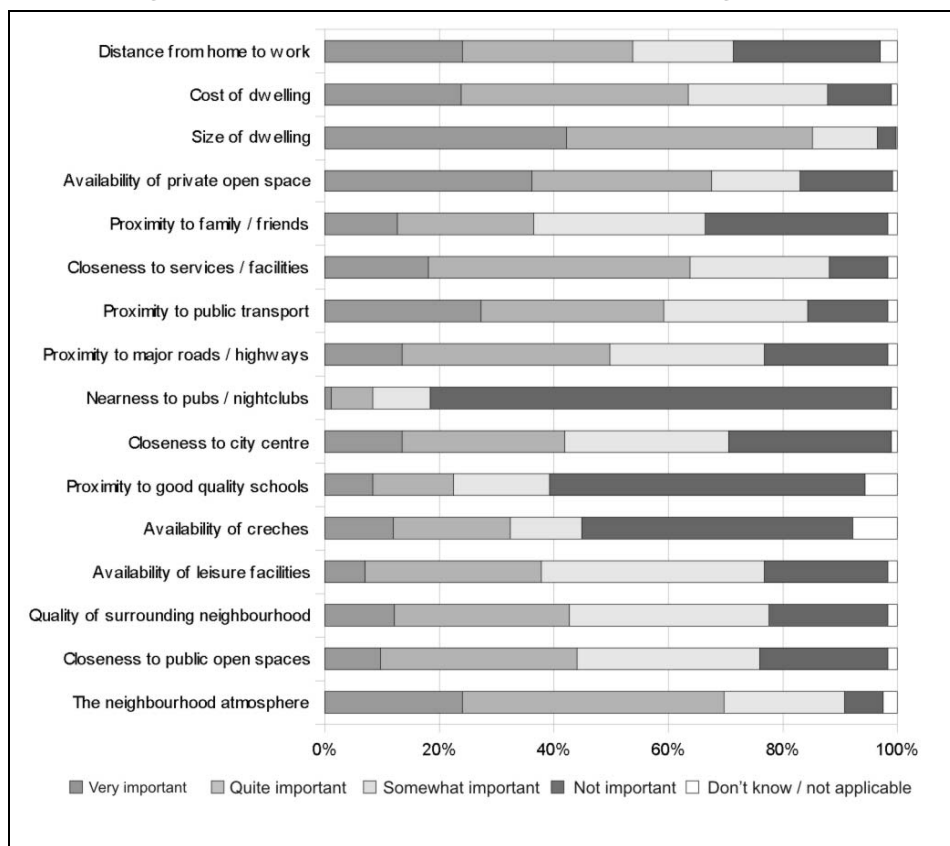
**Figure 7.6 - The importance of the following factors for the highly skilled migrants on the decision to move to their current neighbourhood**



Overall, closeness to services, availability of public open space and the quality and atmosphere of the neighbourhood were reported as the three most important factors for the migrants for choosing a neighbourhood. For the Finns, the most important factors were the size of dwelling, the atmosphere of the neighbourhood and private open space. The foreigners valued the proximity of public transportation, the quality of the neighbourhood, the availability open public space and the proximity of good quality schools notably more than the Finns. Also the distance from home to work is a more important factor for the foreigners.

Both groups assessed the rather classical and ‘hard’ location factors as of major importance in choosing the neighbourhood: the size and cost of the dwelling and the closeness to services. Of this type of factors, proximity of public transportation links was valued noticeably more by transnational migrants. This might be explained by the fact that they do not own a car as often as their Finnish peers, but it is also possible that environmental attitudes differ somewhat between the groups. The transnational migrants also stressed the importance of the proximity of services more.

**Figure 7.7 - The importance of the following factors for the Finnish creative knowledge workers and graduates on the decision to move to their current neighbourhood**



Source: Kepsu & Vaattovaara, 2008a

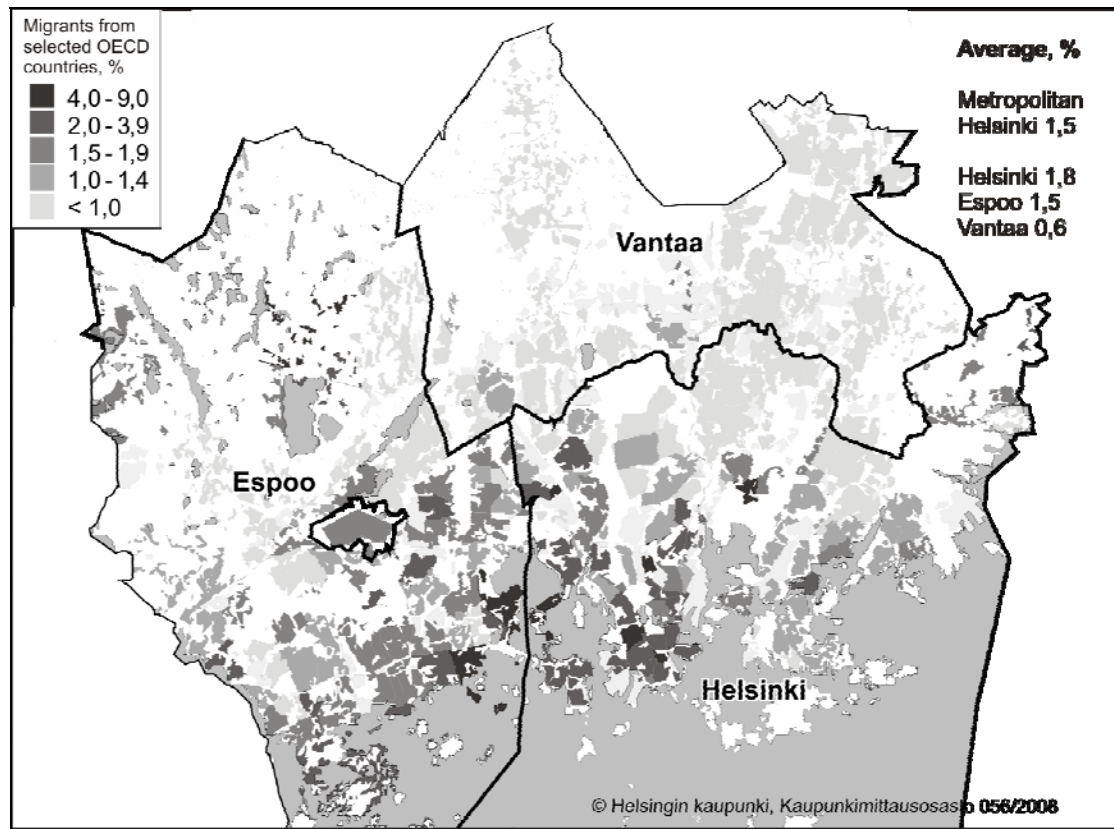
The most interesting differences, however, can be noticed when comparing the groups' assessments of the importance of the 'softer' neighbourhood qualities. While both groups value the atmosphere of the neighbourhood, the transnational migrants value this noticeably more than the Finns. There is a noticeably large difference in attitudes with regards to the quality of the neighbourhood: 80 per cent of the transnational migrants assess this as very important or quite important, while only 40 per cent of the Finns place the factor in either of these categories. The difference in attitudes is exactly the same when asked the importance of public open spaces in the neighbourhood.

In conclusion, the highly skilled migrants emphasise different factors than the Finnish creative knowledge workers and graduates when choosing a neighbourhood, and the greatest differences can be noticed in factors which could be described as "soft". It is interesting to notice, however, that both groups have very similar residential patterns, which follow the general socio-economic residential divisions in the city. It seems that the neighbourhoods which the Finnish creative knowledge workers and graduates value, also satisfy the needs of the highly skilled migrants in the Helsinki Metropolitan Area, although the reasons for choosing the neighbourhoods are somewhat different.

Our finding of similar residential pattern between the international and Finnish experts is confirmed by a larger set of population data. To further examine the residential patterns, we acquired a geographical analysis from the City of Helsinki Urban Facts Centre. The Figures 7.8 and 7.9 by Pekka Vuori present the residential pattern of all migrants from selected OECD countries and of the total population with tertiary education. The educational structure and labour market situation in these migrant groups are very close to those of the native population, and in many cases even more favourable. The figures show a strong resemblance between the residential patterns of these two groups, and the residential pattern of migrants of OECD origin differs greatly from the residential pattern of other migrant groups in Helsinki Metropolitan Area.

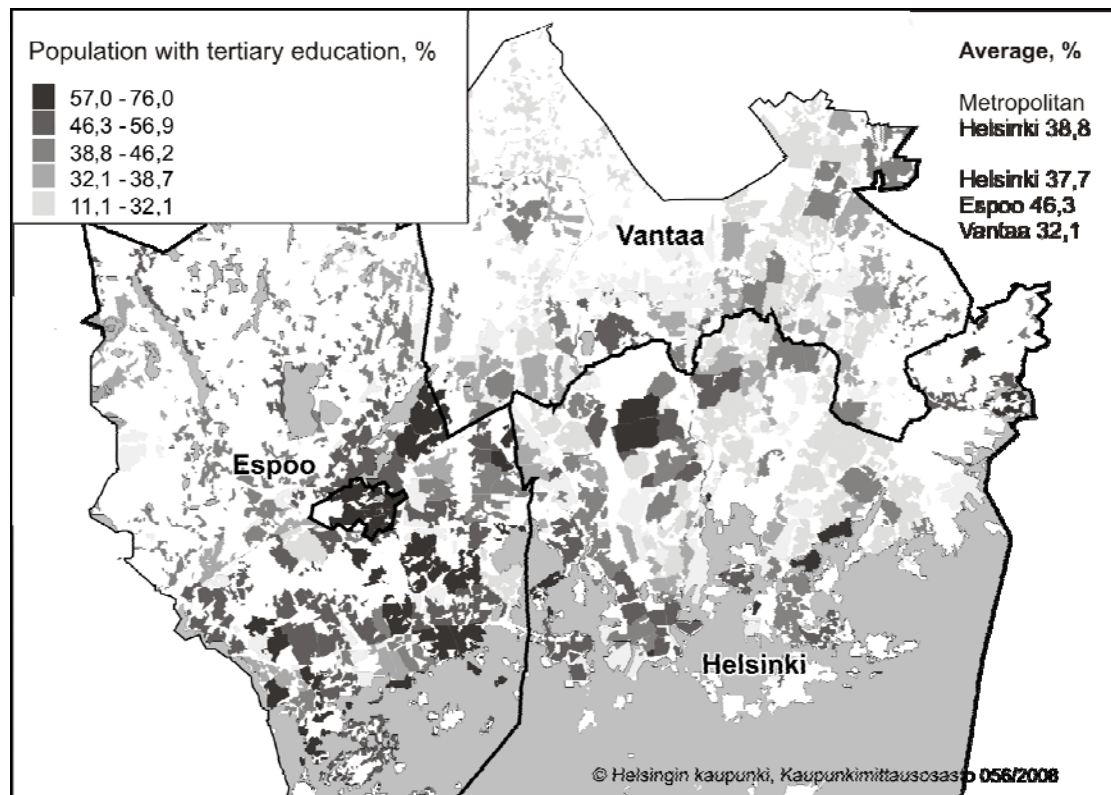
This indicates that our finding concerning the residential preferences of the highly skilled migrants appears valid and that it is possible to generalise it to a larger population of highly skilled migrants. It seems that similar neighbourhoods satisfy the needs of both international experts and the corresponding Finnish population, although the reasoning and values attached to choosing the neighbourhood differ somewhat. Besides the characteristics mentioned above in the case of favoured neighbourhoods, the residential pattern is closely linked to the location of the creative knowledge industries in the Helsinki Metropolitan Area.

**Figure 7.8 - Share of migrants from selected OECD countries in the age group of 30-59-year-olds in the Helsinki Metropolitan Area 1.1.2009 (American, British, Canadian, Belgian, Dutch, French, German, Swiss, Austrian, and Irish citizens)**



Source: Pekka Vuori, City of Helsinki Urban Facts

**Figure 7.9 - Share of persons with tertiary education among 20-64-year-olds in the Helsinki Metropolitan Area in 2008**



Source: Pekka Vuori, *City of Helsinki Urban Facts*

### Housing

- The housing market in Helsinki is challenging for migrants because of the poor availability of reasonably priced and suitable rental apartments, the Finnish language and the prejudices towards foreigners.
- Renting is an attractive housing choice for many migrants because of the temporality of their work. Still, many of those who had been in Finland for more than five years had bought their own place.
- The major problems of housing are high prices and small standard size of the apartments.
- Of the 25 interviewees, only two lived in the eastern parts of Helsinki, which host a large part of the total immigrated population of Helsinki. The highly skilled migrants' housing preferences reflect the preferences of the Finnish skilled workers.
- Majority of our interviewees lived in the suburban neighbourhoods, including all the families with children. The stage of life-course is important for the migrants' choice of neighbourhood. Still, it seems that the creative workers prefer inner city locations more than the knowledge workers.

## 7.6 Social networks

Social networks have proven to be important both in the decision to move to a city and perhaps even more importantly, in the way migrants settle in the city and eventually decide to stay or to leave. In the first case, when attracting new migrants, migrant networks do not take such a prominent role in Helsinki as in many other cities. Naturally previous links between countries enhance the migration streams, but because of fairly low levels of highly skilled immigration to Helsinki so far, these networks are not yet that strong. In Helsinki's case, family reasons are more important than professional networks. However, in our study we have also seen examples of highly-skilled ICT workers coming from certain Eastern European countries to work for a few particular companies in Helsinki.

*“I think in January 2006 yes, one colleague of mine came here in Helsinki, and before leaving he told me that where he's going and if I'm interested he can put a word for me and maybe I come too. And after one month or two he called me if I still want to come here. And in March 2006 I had my interview, and one month later in April I started here. [...] at beginning I was a consultant, one year, from [company X], this company brings consultants from Romania and from Hungary...”*

Interviewee 2, ICT

*“[...] it's chain migration with the scientists, for instance one laboratory from Moscow has practically moved to Biomedicum [medical research centre in Helsinki]... The project leader came first, he had the contacts, and when the salaries in the university sector are in practise non-existent [in Moscow], it is very appealing to come here.”*

Annika Forsander

Often information about Helsinki is submitted further afield to people in similar positions in home countries, and subsequently through chain-migration a small community of them have formed in Helsinki. However, most of the migrants in our sample have come to Helsinki without any such links or without much prior knowledge of the city.

When it comes to settling into Helsinki, social networks are extremely important. Since most migrants arrive without the support of these migrant networks or large expat communities, they often feel quite alone in the beginning. Although our migrants in the sample were very career oriented, having a life outside work is still crucial for how they adapt to the new city, and how at home they feel.

*“To be honest, I was depressed because I just moved, when I moved to the Netherlands, there are a lot of fellow from my country, and you just join normal studies, M. Sc. programme, we go to course, go out and party, meet people. But here, I moved then, the first day I came to office I just started normal life working, you know. I didn't have social life but... That frustrated me, the first two three months. My phone bill was very high because I call almost every day from mobile to home to Ethiopia, so it was very expensive [...] After that, I get used to it.”*

Interviewee 24, higher education

*“These people work long hours; they often spend probably 12 to 14 hours a day at work... You need something else... Work-life balance is an important element of happiness and satisfaction. So if you want your assignment in Finland to be a positive experience, you have to have elements on the other side too. You are quite unhappy if you have no other content in your life besides work.”*

Marjo Lautjärvi, managing director, Finland Relocation Services

Eventually the extent of the migrants’ social relations greatly affects their decision to stay or to leave. Nevertheless, according to our study, Helsinki is very challenging for a migrant when it comes to accessing these local networks. Newcomers in any city can feel alone, but according to our interviewees creating a social life in Helsinki can be quite hard even with time. Finns are generally considered to be quiet, closed, shy and not very social. Many of our respondents also found that in Finland neighbours do not usually talk very much to each other, resulting in little social contacts in some neighbourhoods.

*“Usually Finnish people are very shy, that’s what we were told, that they don’t mix up or they don’t come forward, it’s you who has to take the initiative, and once you mix then they are very, like very friendly so-“*

Interviewee 13, higher education

*“It’s just in the building I don’t really have contact to the neighbours so I’m really the foreign of them, and I cannot there, if there’s something outside it’s all in Finnish, and I have no idea what to do, or if they are, I don’t know working in the garden all together or barbeque, and no-one is inviting me and telling me, even I am always saying hi or whatever. [...] once I was like, I forgot my key or, somehow I couldn’t enter my apartment again, it was already ten in the evening but there were of course everywhere lights and I was just asking if somebody, and it was in the middle of winter time, -24 degrees and I was just hoping that someone can let me in and I was, I had a look like in the window where light was still and it was not that late, I was really like ‘Hello, I’m your neighbour, please let me, I forgot my key inside, I’m locked out and, at least that I can wait inside’, and nobody opened the door, I was like ‘No it can’t be’-“*

Interviewee 12, design

*“Before I lived here I was in Luxembourg six months, and actually socially, it’s much more different than in Finland, the life cycle of a friendship is in Luxemburg about seven months. It’s such a small place and people come and go so fast. So then when new, sort of people come, they really come to you, right away. [...] there’s a different culture, a different attitude, and I thought it was fantastic, and I thought when I came here [to Finland], I had the opposite feeling. A friend here is maybe for 20 years. If you’re 30, your 20 year friendship begins from the army, and it takes so much longer time getting into that circle of people. And also people don’t mix very much.”*

Paul Brennan, founder and director, Jolly Dragon

Those who had a local partner obviously got to know people easier than those who didn't know anyone in the city.

*"[...] also since my girlfriend had introduced me to people who lived in Helsinki, so I got to kind of go out and do stuff. It was quite social, it was like much more social than I had for instance in America because of the fact that we are in the city, so you know you can use public transport, you can very easily move around..."*

Interviewee 25, ICT

Although the need for some social life outside work is universal, the migrants have different needs when it comes to making new contacts. In this respect, the stage in life-course is relevant. Migrants who have families, particularly those with children, are more content to spend time at home, and are not as actively in need of new friendships and social contacts. Singles on the other hand often felt alone in Helsinki.

*"[The spare time] has probably been the toughest... I didn't anticipate as much, the social life. Especially when you're single. It's been tough in a way that, I mean I do a lot of things, like I ride my bike and run and you know go to gym and go to movies. That kind of stuff is great but, in terms of the social life, and this should not be a surprise to you, if I were an expat with a family I think I would be a lot happier here. But Finns tend to be very, they're very inward looking, they have their families and they have their family life, and they're not the most open or engaging to foreigners or outsiders. It was funny, I was in an expat forum and it was my sixth month or something, I said 'Maybe I'm doing something wrong because no one has invited me to their house yet?', and this guy was, he's been there for six or seven years like, 'Take your time, I haven't been invited yet either, so don't feel so bad!' [...] That's been the toughest part I should say, from a social aspect."*

Interviewee 20, marketing and business consultancy

The migrants have made social contacts in Helsinki in various ways. Most of them have made friends or at least acquaintances at their work-places. This was most common among younger migrants or at work places where the personnel was relatively young, and were less tied into family life.

*"In that way, I think [company X] was special, because [it] as a company was like, okay at that time it was growing really rapidly, there were like 10-15 new employees per month, it was growing so fast, but it was kind of like young company, with so many young people and the drive to make the company successful and... There was so much bond between the workers and the employees. And also that most of the employees were young, not married, no kids, and we were just like working working working, and then after that it's like, 'Okay let's go out for a drink'. It was really different, even compared to now. [The company] now it's totally different, now it's just a normal company, everyone and we grew up, so we have families, everyone goes home straight after work."*

Interviewee 22, marketing and business consultancy



Quite a few migrants however had difficulties in getting to know people at work, and felt unhappy with their social life. With the highly skilled migrants, workplace is an important place for integration to the local social life, because many of the migrants work long hours and don't necessarily meet people elsewhere. If no friends are made in the workplace, it can hit the newcomer hard.

*“I was really lonely. I was really surprised, one thing that I didn't expect coming from Ireland. When I moved [...] to Dublin people, everybody I worked with knew that I had just moved to Dublin and that I didn't really know anybody. So when they were going out with their friends outside of work they'd invite me along. You know 'Do you want to come out, we're going to such and such place'. So I got to know them really well and they sort of formed the basis of my friends group. And when I got to Finland, when I got to Helsinki I was really surprised that my colleagues in [company X] didn't do the same, because they all knew I had just arrived and, there was one girl who invited me to go horse riding with her but that was about it, everybody else was just like, really self contained in their own lives, with their own friends so... I hadn't really made a plan of how to meet people, get a social life or anything like this so... Yeah, after a while, I'm not sure how long, maybe a couple of months, I was getting so depressed at... I didn't have a TV or anything either so I was kind of sitting at home with books and sort of wondering what I was supposed to do with myself.”*

Interviewee 16, ICT

Some of the migrants were able to network through different associations or clubs, where they found like-minded people to spend time with. Some have even moved their social life to the internet when social relations were hard to find in real life.

*“Well let's say so that there are opportunities [for social contacts] for people who want to find them. But for little bit more passive people, for example that's one thing that, nobody will help you at work, to like you know, you will not get this like, personal support from your work. That's something that's missing. And that's why I was also the president of international club in [my company]. To help other people get into doing things and getting people connected, especially the new comers.”*

Interviewee 9, ICT

*“I'm not that kind of person to put effort to meet new people, so I just work very long hours, And I'm more digital now, just, I'm behind computer now, and I speak with people from everywhere from the world. So Internet... I become quiet, [...] not looking for a social life. It was, the first months was very tough, but now I'm used to it you know. I didn't put effort to make things happen, but I just changed myself.”*

Interviewee 24, higher education

One particular social network, Jolly Dragon, was established in 2004 in order to get people together and especially to meet the needs of foreigners living in Helsinki. Many of our interviewees have found friends through Jolly Dragon, and it seems that this kind of social network can be very valuable for highly skilled migrants moving in Helsinki.

*“So it started as off as a network of friends that wanted to be more active. I think one thing that’s key in Finland is that the, weather keeps everyone inside so easily, and it’s so difficult to get your five friends to go out and do something, so it’s too easy to stay at home. And I was nursed to that, to that culture from the very beginning and I’m not used to that, and I wanted to fix it, I wanted to fix it for myself, so that I could get (--), I was playing squash. And somebody else joined and said ‘Yes I have the same problem’ and then, after a year, it became kind of known that all the Finnish people have the same problem. It wasn’t just a foreigner’s thing, it was an everybody thing, that we all wanted to play more but didn’t have any system that helped us to do it.”*

Paul Brennan, founder and director, Jolly Dragon

Besides the private social life, another great challenge for migrants in Helsinki is that the professional networks are considered more or less closed for foreigners. One of the features of economic life in Finland and Helsinki are the tight knit networks between different actors in society. Also in business life the circles are small, and “everybody knows everybody”. Interestingly, this feature is one of the key to the Finnish economic success, and also one reason stated for why some multinational companies decide to stay in Helsinki despite high location costs. However, for foreigners, these networks are hard to enter. Many migrants claim that it is difficult to find jobs when you are not a part of these professional networks. Many work opportunities only occur in these networks, rather than being announced in the newspapers or other open forums.

*“The professional environment is, you know it’s okay, but it’s not great. I feel, I’m probably still very handicapped here. Maybe it depends on the person, but I’m not part of the same network that people would have been... I didn’t go to the army with anybody [...] I’m probably still very handicapped relative to Finns at my, you know at my position. So probably, mainly for that reason, Helsinki is still pretty limiting professionally. Of course it’s nothing compared to Silicon Valley and no place is, and I still, you know, that’s the point of comparison, unfortunately, just nothing you can do about that.”*

Interviewee 23, higher education

### **Social networks**

- Migrant networks are not in such a prominent role in Helsinki as in many other cities when attracting new migrants to the city. However, social networks are very important in getting the migrants to stay in the city.
- Many of our interviewees had difficulties in creating a social life in Helsinki. This was the case especially with single people moving to the city.
- Workplace is an important place for establishing social relations for the highly skilled migrants, since their leisure time can be fairly limited.
- Due to the smallness of the city, the professional networks are tight and difficult for migrants to access.

## 7.7 Helsinki's strengths and weaknesses

In the interviews we asked the migrants to evaluate the best and most challenging things about living and working in Helsinki. These comments are reflections on our interviewees' experiences of living in the city. By examining the strong and weak factors of the Helsinki Metropolitan Area, we can try to evaluate Helsinki's potential to retain the highly skilled migrants. It can also give some ideas on what to work on and what to promote in order to attract more highly skilled migrants to the city in the future.

In the following part of this section we will look at the strengths and weaknesses more closely. A summary of these features is presented in the table 7.4.

**Table 7.2 - Summary of the strengths and weaknesses of Helsinki**

	<b>Hard factors</b>	<b>Soft factors</b>
<b>Strengths</b>	Good public transportation Working bureaucracy	Safety Cleanliness Human scale of the city People's English skills Nature and greenness
<b>Weaknesses</b>	Lack of job opportunities for immigrants High living costs Fairly low-standard and expensive housing	Finnish as the local language Climate and darkness No big city atmosphere, homogeneity Challenges in social life

### 7.7.1 Strengths

*"[...] I mean the safety, cleanliness, convenience of the city, they're wonderful!"*

Interviewee 20, marketing and business consultancy

One of the main assets of Helsinki for highly skilled workers is that it is a functional and organised city. Functionality embodies many things, such as the public transportation and easy bureaucracy. The general picture of Helsinki is that it is an easy place to live and move around in. In particular the migrants who have visited and lived in other cities appreciate the approachability of Helsinki.

*"It just seems that everything is very organised and professional, clean and just, that it makes sense, there's just no real, there's no major problems. In most places where you'll visit, will notice certain problems right away. You go to Los Angeles, and it's hard to breath because of all of the dirty, you know smog in the air, or you know you go to Tokyo and there's so many people there, you feel like you have to use your elbows to squeeze through the crowds, and there's problems like that in most cities, something that you notice right away that's, makes you realise you wouldn't probably want to live there for*

*long term. But Helsinki doesn't seem to have anything like that, the main issue is just the cold and dark, and if you can figure out how to deal with that then it's fine."*

Interviewee 19, music

*"But generally I think that everything seems to work here, everything... All the buses come when they're supposed to come, all the trains come when they're supposed to come, and the roads get cleaned when they're supposed to you know."*

Interviewee 9, ICT

One of the most important things that make Helsinki functional and accessible is the public transportation, and nearly all of our interviewees praised it. The public transportation is especially important for the migrants, who often do not have a car in Finland.

*"It's a very nice city, the first thing which we like so much about this city is the transportation, you have amazing transportation like, that connects you from one part of the city to another, the buss facility I mean. It's so cheap, I can't imagine you pay just 40 Euros and then you can travel any number of times for the whole month which is, really I cannot find it anywhere. It's very cheap."*

Interviewee 13, higher education

Also the bureaucracy works mainly well for migrants, particularly those from the EU or having a work permit. It seems that bureaucracy has gotten easier in the late 2000's; people who moved to Finland in the 1990's or early 2000' reported more inconveniences with the authorities.

*"... as long as we have our jobs, it's [the bureaucracy] very easy here."*

Interviewee 13, higher education

*"[...] most easiest thing in Finland, I still appreciate this like, almost no bureaucracy, I didn't have any bureaucracy since I start living here. I came here even without graduating, I lost my first degree, I don't have any document even of my education, because I lost my first degree certificate [...] I came like three weeks before the graduation ceremony, so I didn't have an official thing [...] I came to faculty, they say 'no problem, bring when you find those documents'. And after that all the registration, settlement, everything goes quite fast and... No bureaucracy."*

Interviewee 24, higher education

Our interviewees appreciated the safety of Helsinki, and this is also a top feature of Helsinki according to our expert interviews. Cleanliness of the city was also mentioned several times.

*I: "What do you like best in Helsinki?"*

*R: "The safety, yes. For me it's a luxury. Before coming to Finland I never imagined walking you know by myself at three in the morning. So that, yeah."*

Interviewee 18, design

*"...one of the beautiful things is the safety. And of course that, I'm comparing with my city Bogota, that one has to be incredibly careful all the time. And then you will be ok, but*

*here it's so safe, it's so nice to put your guard down. You don't need to have all these antennas 'danger, danger' you can just relax. That I like a lot. "*

Interviewee 14, design

*"The best? I think, it's the quality of life, the cleanliness of the city, Helsinki is very clean, a very very clean city, one of the cleanest I've actually been in [...]"*

Interviewee 1, higher education

The human scale of the city is another strength of Helsinki, and the functionality mentioned before is directly connected to the scale. Helsinki is often mentioned to be "human" and a walkable city. Many migrants found that Helsinki also has a good diversity of leisure and entertainment facilities for its modest size.

*"I think it's got a really varied, it's got a great culture compared to the size of the capital as it is. Compared to some similar towns in England, it's got a really rich culture because it's the capital.[...] I go to the gyms here which are good, and as I said the museums are really good. Bar culture seems good.."*

Interviewee 10, music

*"[...] it's a walkable city... [...] I walk a lot, but it has, it has a city centre feel to it, and it's also roundabouts the right size, it feels like quite joint together, whereas you don't have this urban sprawl like in Los Angeles for example."*

Interviewee 1, higher education

One positive feature that is widely recognised and appreciated among the migrants is the good English skills people in Helsinki and Finland have. This obviously makes the living in Helsinki possible for those who don't speak Finnish. Also in the European context the Finnish people's English skills stand out making Finland attractive for transnational migrants.

*"...somehow there was this sense of like the people were very kind, I was really impressed that they were willing to speak English even though I was the only English speaker in the seminar room, in many other countries like Germany, France they will never switch the language just for one visitor. So I felt Finns were very progressive that way, and so that was something I could appreciate as a foreigner"*

Interviewee 11, higher education

*"[...] one of the main concerns I had was English of course, I thought, probably people would be really struggling with English and would be very hard for me to learn Finnish quickly and, but I found when I came here that everybody I met knew English very well, so it wasn't an issue at all [...]"*

Interviewee 19, music

*"[...] everybody speaks English and that's a huge plus! You cannot, I lived in Japan again and I lived briefly in Italy, it's not, life gets a lot easy when you have that because now you are able to communicate and connect with people. And the city itself is ready for that, so day one you can start functioning like a normal adult, unlike other places where you have to kind of go back and try to struggle, so."*

Interviewee 20, marketing and business consultancy

The greenness of Helsinki and its surroundings, the nature and the closeness to sea are important positive features for some migrants.

*“I love the green, I love the attention to park, actually that’s probably my favourite aspect of the city and I know it’s my wife’s as well. And that’s one of the reasons why we live where we live, we can’t do that in the city. I love the fact that there are trees everywhere, and that the sort of reigning aesthetic when you put in a building isn’t to wipe out all the trees. To put out the building and put those ridiculous apartment building trees that don’t ever grow, it’s, you know, you cut down trees for the space you need, you put up the building and the existing green is integrated into the design and I think that’s probably like the, most attractive feature about Helsinki.”*

Interviewee 3, music

*“[...] I was basically mesmerised and was really enjoying nature, above all. So that’s the thing I like the most.”*

Interviewee 9, ICT

When listing the strong points of Helsinki, we can see that there are many features that can be categorised as “soft” factors. This is interesting since soft factors were not the motivators for our respondents migrating to Helsinki

### 7.7.2 Weaknesses

When asked what was most challenging about living in Helsinki, the Finnish language was mentioned most often by our interviewees. Even though the Finnish people’s English skills were praised, the local language still affects the everyday communication and life in the city more generally. Many of the migrants sometimes felt like outsiders. The unfamiliar local language makes many situations more difficult, varying from everyday things like going to grocery stores to major events like finding an apartment. Local language can also create barriers between the Finns and foreigners often making social relations harder to establish.

*“Well, of course language and communication [are the most challenging in living in Helsinki]. ‘Cause you never really understand what’s happening unless you speak the language, you read the newspapers and you read the news. And at the moment I can probably understand 50 % of what I read, so... I read the newspaper and I read the English-Finnish news and trying to get a clue of what’s going on.”*

Interviewee 8, ICT

*“The language is quite difficult, and what I wonder, how much it would change my position here, change my identity, if I was to learn the language and become more like ‘finnishised’, if you like. And I think that to get to that stage, to be able to have a conversation, like in this interview, it would take years, to get to this level. So at the beginner’s level, I’ve enjoyed what I’ve learned and everything else but at the same time it would be quite a lot of work. But I wonder if the timeframe of two years would be enough to get the Finnish up to the standard, but thankfully people speak English here so it hasn’t been as problematic as I thought. But outside Helsinki it’s, in the smaller towns they don’t speak English all the time, so this is a problem, sometimes.”*

Interviewee 1, higher education

*“Yeah at some point I really found it, like not speaking Finnish was like an obstacle, like a big obstacle, and that there were many things that were not easy, because I didn’t speak in Finnish. When I speak some Finnish, some things are still difficult, because I don’t speak enough Finnish.”*

Interviewee 9, ICT

The climate and the darkness were also frequently mentioned as weaknesses of Helsinki. Although in many cases the climate was not as bad as the migrants had feared, still many interviewees felt that the winter time was difficult to get through.

*“After a while it gets [you] down, I mean this is going to be my seventh winter and I’m really not looking forward to it [...]”*

Interviewee 9, ICT

*“I think last winter was, the weather was so appalling that... I got really depressed and I was ready to move.”*

Interviewee 16, ICT

Social life has been hard for many migrants in Helsinki. This subject is intertwined with the challenging local language. Migrants who lived in Helsinki alone felt that establishing a social life in the city was difficult.

*“The biggest [negative] part again is the social aspect, and that is tough I have to say.”*

Interviewee 20, marketing and business consultancy

One challenge mentioned was the difficulties of finding a job and the lack of work opportunities for foreigners, even if they are highly skilled. The main reasons for this are the Finnish language requirements and the difficulty of getting into the professional networks.

*“So the people who cannot find jobs, have of course a negative perspective of, and they see everything negatively, so they like in every Finn see a threat and an enemy, [...] And then as immigrants, it’s like ‘Boy, everybody hates me, I don’t get equal opportunities, I’ve been, you know, for years fighting to speak some Finnish, I do speak some Finnish and it’s still not enough, it’s an excuse to really like, come on, I’m a technical engineer, why can I not get a chance, what else can I do’.”*

Interviewee 9, ICT

One weakness mentioned by a few of the interviewees was that Helsinki is an expensive city. Together with the high income taxes pushing the net salaries down, everyday living comes with a high price.

*“It took a while to get used to the cost of things, I guess, just mentioning that, you know for example like the cost of a cup of coffee or a glass of beer or something, sandwich. I found that everything is at least twice as much as I would expect in America, and sometimes it was five times as much, it made it really hard for me to accept, like for example I would go to the drug store and I needed something simple like a nail clipper or whatever, [...] Instead of getting it with one Euro you have to pay like eight Euros for it or whatever, or something that would be two Euros might be 15 or 20.”*

Interviewee 19, music

*“I think the salary is pretty high, I thought ‘Wow, this is a good salary’, but then when I come and pay for a cup of coffee 5 Euros, it seems a lot on Finnish salary, but when I go to the Otto [ATM] and take my Canadian money out, I just paid seven dollars for a cup of coffee! So I think prices are pretty damn high actually.”*

Interviewee 11, higher education

As discussed earlier, housing is a problem in Helsinki. Many of our migrants and experts thought that the housing stock in Helsinki is expensive and fairly low-standard.

*“Well, I think more could be done to control the price of property, ‘cause I think that would be one of the major disincentives to come here is that it is ridiculously expensive to buy property here, and I think unjustifiably so, given the quality of what most people buy. I think that’s the one thing I found most shocking, about the quality of life is how little people are prepared to expect, accept here, as acceptable in an apartment, I mean something that, I probably wouldn’t even rent let alone buy for 180,000 Euro, and it just doesn’t seem to correlate to salaries, and it doesn’t seem to encourage people of average income, to own and live within the city. [...] And I think really, the purchase market has gone so far out of control in the city I think that would probably be, any professional considering moving here would look at the prices and say no way.”*

Interviewee 3, music

The small size of the city was not just a positive feature. For some migrants, particularly those from big cities and those used to a more cosmopolitan way of life and a large supply of culture and entertainment missed a “big city atmosphere”. Helsinki can lack buzz and street life as well as be too homogenous.

*“Somehow I wish the city would promote more activities until later in the night. Keep people talking more. Maybe the bars can close, but maybe the cafes should stay open. Like I find that the night life on, except for Saturday and Friday and Wednesdays, sometimes the night life is a little challenging, there is no, there’s not much to do. And so for visitors, it tends to get a little, you know lonely.”*

Interviewee 11, higher education

*“And I dislike this monotony. You know I come from one of the most diverse countries in the world ... it’s so varied in the people, the culture, the food, everything. And then you come to such homogenous country, everything is homogenous, everybody looks the same, everything...”*

Interviewee 14, design

*“Mostly I think the buzz you referred to is not there so sometimes I miss it, and so a foreigner who is used to a more densely populated city may miss that, and I think a lot of that just happens to do with the fact that the city seems to just shut down after a certain hour, maybe if they extended that the buzz would still be alive a little bit, because of course it gets dark a lot in the winter, so maybe foreigners can have a challenge and so they need the buzz to compensate for the darkness and the fact that they’re alone.”*

Interviewee 11, higher education



Another topic related to the small size and homogeneous nature of the city was that the atmosphere towards foreigners and ethnic minorities could be improved. Our sample did not include many interviewees representing “visible minorities”, so we cannot draw concrete conclusions about their views on Finnish people’s tolerance and attitudes towards them. Still, those few who differed from the Finnish crowd by their looks hadn’t had bad experiences while living in Helsinki, but their comments weren’t very positive either. In fact, it seems that they face uncomfortable situations now and then in their daily life in Helsinki.

*“I don’t have, as a black person, in Finland, I don’t have bad comments from people, well just, okay... I don’t have anything that I remember, being a black here, but... [...] If I go to bar, every time people, bouncer of course ask ID. That’s a bad experience I have, because they don’t ask anybody but... If they see a black person coming, they ask for ID. And then justification of course, they say ‘we cannot guess your age’, but I don’t think that’s... yeah.”*

Interviewee 24, higher education

*“I think the people who are a little bit old, who are like two generations before us, they are little bit still conservative, that’s what we feel like, they are still not used to that, foreigners coming to, it’s like, staying in their place... [...] Not bad experience, I wouldn’t say bad, maybe those people have some problem, something, I don’t consider them normal people, maybe they have some disease, some mental problem, that’s why they behave so. Sometimes like in the bus or something like that, they don’t allow you to sit next to them even though the next seat is empty, but that happened once or twice, and they are mostly old people. The young people they are so nice, they smile at you, they say you ‘moi moi’ and ‘hei hei’ [hi], they are very nice.”*

Interviewee 13, higher education

*“Surprisingly I have not had any bad experience, I personally feel scared at night, because I know I look different... That’s why I think that when I got a car a couple of years ago, then I felt really good because I don’t need to really, yeah, like from the train station to home or something. Like when I lived in Vantaa, and I didn’t have a car then, then I had to change into a bus from [the train station] and when I was walking there and then there’s like these people, then I... Even though nothing happened, I felt bad.”*

Interviewee 22, marketing and business consultancy

### **Helsinki’s strengths and weaknesses**

- The highly skilled migrants interviewed valued above all the functionality of the city, which includes among other things the public transportation and the working bureaucracy. Other strengths of Helsinki are its safety, cleanliness, human scale of the city, people’s English skills and the nature.
- Finnish language was considered the most challenging to living in Helsinki. Other weaknesses of the city were the weather, small size of the city, challenges in social life, lack of job opportunities, the high living costs and the mismatch between the price and quality of housing.
- Soft factors are often mentioned as the strengths of Helsinki, even if they are not pulling factors of the city for highly skilled migrants.

## 7.8 Suggestions – how to improve the attractiveness of the city

With the first hand experience they had of immigrating to Helsinki, our interviewees had many ideas of how Helsinki could become more attractive for highly skilled workers. Whether the migrants see Helsinki as an attractive city depends heavily on their working field. Generally speaking, for our interviewees the attractiveness of the city means above all the attractiveness of their working field in that city. If their working field in Helsinki is vital and offers career opportunities, the migrants often feel that the city is attractive. If there are no career opportunities for them in Helsinki, other qualities of the city are usually secondary of importance and the city is seen as unattractive.

In the interviews, suggestions were asked directly, but many ideas came up also indirectly when interviewees told us about their personal experiences. A majority of the improvement ideas were work-related, which naturally reflects the importance of working life for the highly skilled migrants. Many suggestions were also linked to the lack of knowledge the migrants had before moving into Helsinki, and the need to promote the city. In addition, some mixed improvement ideas were given to ease the life of foreign migrants in Helsinki. Most of the suggestions were rather general by nature. The work-related suggestions were usually more demanding and complicated to deal with. However, many of the other suggestions relating to integration help or information availability were quite practical and would be somewhat easy to apply, such as having more information in English on the internet.

### 7.8.1 Improving conditions for working and studying

One of the concerns of the interviewees was creating job opportunities for highly skilled foreigners. As has been mentioned several times, job finding in Helsinki is a very demanding task, despite having a good education or special skills. Many of the open positions are not even announced in public, and hardly any in English. One quite general comment was that more international companies should also locate in Finland, which would mean that more international job opportunities would might be offered.

*“I suppose one thing would be if there were more companies like [company X] or, I mean Nokia is a big company, but more companies which are like very international but, and they have like branch offices here, and they would kind of try to get people from those other countries to come. Because it seems like everyone’s mostly just hiring through Finland [...]”*

Interviewee 25, ICT

There is also work to be done with the employers’ attitudes towards hiring foreigners. This issue relates to the Finnish language skills requirements which are still included in many positions, even though it is not necessarily a need to speak Finnish in daily work.

*“[...] now I came for the labour market and I see it’s quite tough to find work, especially for foreigners, especially now when it’s crisis. So but... there are possibilities. And I see that... It’s right that the companies make this politic that first Finnish humans and then foreigners if they choose but I think it’s right, it should be like that. But it’s quite tough to find, especially for educated people.”*

Interviewee 15, higher education

When workers want to learn Finnish, it is difficult in many cases because the skilled workers’ hours are long and it is difficult to find time for the language courses. Some of the interviewees also commented on the language courses, saying that they are too theoretical. The local language is one of the hardest things affecting migrants’ life in Finland. It seems that the learning of Finnish language is especially difficult for many skilled migrants in addition to working long hours. Many of them still express their willingness to learn the language. There is certainly a need to integrate the language studies to work-life.

*“[...] maybe more emphasis, if it’s a genuine require that Finland needs more people to come and work here, maybe more emphasis on work place based language training. Because the language training you go on is very, very formal, very grammatically based, and not very useful. [...] So maybe it would be good if in companies, some of that language role could be, again maybe sponsored by the state but do it in a work place setting to get people, I mean... [...] You know, two or three hours a day of language lessons in a company, saying that this is how you relate to so and so, this is the systems you’ll use here, that would be so much more useful to me and the company I think. “*

Interviewee 10, music

For students, the fact that there are no tuition fees in the Finnish universities has been an incentive to move to Helsinki. It has even been a crucial factor when a migrant has been choosing the country of destination. Recently, there have been discussions on having tuition fees for foreigners coming to Finland to study. This change would maybe hinder some skilled people from coming, especially when finding a job is difficult enough and living expenses are high.

*“I am still very grateful again to Finnish taxpayers that you allow foreigners to come and we don’t have to pay a tuition fee and that’s a great, beautiful, generous thing. But I think also that is changing as far as I know.”*

Interviewee 14, design

Salaries naturally raised a few comments. The interviewees in general thought that the salaries in Finland should be higher, especially considering the higher tax rates.

*“[...] salaries were not high here, and are still not high. [...] after the years go by you know, five years, ten years, fifteen years [...] I start to realise I don’t have savings, like I would have in the United States, people here, in my profession, in what I do, I make half as much, or third as much as I would you know, in Silicon Valley, though the cost of living in Silicon Valley, still the difference is huge. And then taxes on top of that, I don’t know. It’s just a huge difference. So now I would be, from my point of view now, I would have huge amounts of money in the bank if I’d been saving money in the United States [...]”*

Interviewee 23, higher education

However, some tax incentives are available, but they do not seem to be well-known and they should be promoted. In addition, they do not affect people with lower or standard level incomes.

*“There are a few things, first of all I think, and I didn’t know this and nobody, even my company didn’t know this. For the first four years, you have a great tax rate, I don’t know if you know this, that I actually pay 35 % income tax, rather than 50 %, 60 %, for four years. This is an incredible incentive, probably most people don’t, most companies don’t know, they can actually attract talent through that.”*

Interviewee 20, marketing and business consultancy

### 7.8.2 Marketing and promoting Helsinki

As we have seen before in this report, most of the migrants did not know much or anything about Helsinki when they decided to move. It is evident that Helsinki is not so well known globally or even within Europe. One way of attracting skilled migrants would be just to increase the awareness of Helsinki and what it has to offer. After spending some time working and living in Helsinki, many of the migrants were pleasantly surprised. Most of them think that there are things worth promoting in Helsinki. Many migrants wanted Finns to be more proud of their city, rather than underplay it. One of the things mentioned was that Helsinki should build on its exoticness and its own assets instead of copying others. Also, a few positive comments were given to the current promotion strategy in Helsinki.

*“I guess still around like the other European countries Finland is not that well known, and many people would not really, or heard, or know very much about the city. So I think one thing the city has sort of, to be better known sort of internationally, for various sort of things, just to a better known image, if people have never heard of the place or know very little of, then it’s, they’re going to naturally be like, reluctant to come and try it out.”*

Interviewee 21, ICT

*“Helsinki, I think it’s interesting, übercool place, but it’s not so obvious from the outside. So I think more could be, you know, like made of the culture that is here, the like urban culture in Helsinki, and maybe what that actually constitutes. I don’t see that being pushed in any way, through art, architecture for example, in the way that other places have done it. [...] play on what you have and how you’re different from like St. Petersburg and Tallinn or Stockholm or Gothenburg or whatever, Berlin.”*

Interviewee 1, higher education

*“[...] people always say ‘What do you think of Helsinki?’ and I say ‘We don’t think of it’ [...] Nobody thinks of it at all, we have no positive or negative things it’s just... It could be, it’s just a name to us, you know. You might think it’s slightly more frozen than it is, slightly more northern than it is, something like that, but...[...] there’s nothing, it’s just like tabula rasa, it’s just a blank...”*

Interviewee 10, music

The need to enhance the image of Finland has been also noticed by the Government. A country brand project was launched in 2008, lead by a delegation made up of influential Finns. The project is the responsibility of the Finland Promotion Board, which is directed by the Ministry for Foreign Affairs. The aim of the project is to create a country brand in order to increase Finland's international competitiveness. It is believed, that *“The country brand is a cornerstone underpinning success and wellbeing. In the worst of cases, a poor image means economic risk and political setback”* (Finnish tourist board, 2008).

Creating a brand is a difficult job, and there are risks involved in it. One of the interviewees who worked in the creative field expressed her worry on the branding project:

*“It’s quite dangerous [to create a brand], because it may come out like really like Disneyland kind you know, like very artificial. Yes, I don’t think it’s needed to create a brand, maybe just to communicate the Finnish values, but to create a brand, it could become too fake, and people notice that. So if it becomes too neatly packaged.”*

Interviewee 18, design

Interestingly, the City of Helsinki’s director of immigration affairs thinks that Helsinki in itself is not attractive enough to bring in skilled migrants. In her opinion, the job opportunities and contact networks are more important than the City of Helsinki itself.

*“Still in my opinion, when thinking of pull factors, Helsinki itself or the Metropolitan Helsinki or any region in Finland is not interesting. It is not enough to pull [the skilled migrants]. [...] That is, people want certain position, the job in itself is attracting and the possibility to advance career, to fulfil ambitions [...] general marketing of Helsinki for this target group [skilled migrants] is useless. [...] I know, as a former university researcher, that contacts are the thing that moves people [...] It’s a waste of money to market the city, and those promises related to this target group. But the factors that tie to Finland, they are a different thing. These two factors have to be separated.”*

Annika Forsander, director of immigration affairs

Finally, some migrants were critical of the whole concept of promoting the city, because they did not think that there is anything special worth promoting in Helsinki.

*“[...] I think the things that really work are sort of quite mundane and not that interesting, the fact that like everything works so well here, there’s no, like transport, trains run on time perfectly... So it doesn’t make a Barcelona, and there’s not really so much history to the city too, which is maybe a problem, and then there’s other negative factors that you can’t really do about, like climate, it’s hard for most people, there’s not even snow here anymore so... So I don’t know, I think it’s a challenge, I don’t...”*

Interviewee 21, ICT

*I: “Do you think that Helsinki is attractive?”*

*R: “[...] probably no. Currently. Not the way it could be, or should be. It could really develop much more fun place to live.”*

Paul Brennan, founder and director, Jolly Dragon

### 7.8.3 Improving city's services and amenities

The interviewees often brought up the need to get information easily and in English, concerning practical things about living in Finland, such as free-time events and so on, and about the companies themselves. This is a reasonable request, knowing that Finland has reputation of being an advanced country in the field of ICT. Still, normally there is some basic information in English on company websites, but the details are only in Finnish in most cases. This is inconvenient for the foreigners looking for information, especially if they are still abroad trying to figure things out. Information in English is needed particularly on relocation matters. In reality, there are a few internet sites with information for immigrants, but knowledge should be spread out more so that it reaches the right people. Thus, a more active role is demanded both from public authorities and employers.

*“I think, I mean there could be things like kind of, you know foreign information packs. I haven't seen them anywhere. You know, everything that you need to know. Which, I mean, it's not that much, it's just the information is so scattered about that is, yeah, would just be helpful.”*

Interviewee 16, ICT

*“Helsinki offers everything pretty much, but it's just very difficult for a foreigner to tap into it, dancing classes, you know, ice skating or getting a ticket to... If you can create an information hub for, ‘What are your interests?’, ‘click’, and then I get monthly or weekly emails, to say ‘This this this available’, and any vender can subscribe to that, so then they are more happy to promote their services, and if city can facilitate such a thing, and promote that, because again I think it's a city, you have a lot available, I just don't know how to reach out to them.”*

Interviewee 20, marketing and business consultancy

*“[...] that actually would be interesting course, you know that City of Helsinki could offer, like how to protect yourself from the cold winter! Sometimes you think about, you know having 25 layers, but hey, three layers is enough! And you know there's silly tricks like, hey put your alushousut [long johns] under you're socks, and you're like yeah, of course. Little tricks might help”.*

Interviewee 9, ICT

#### **Suggestions – how to improve the attractiveness of the city**

- The migrants' suggestions for improving the attractiveness of Helsinki were mostly work-related, such as creating more job opportunities for foreigners and integrating the Finnish language studies to the work life.
- The interviewees also felt that Helsinki should be promoted more, since the country and the possibilities it has to offer are unknown to many.
- The City of Helsinki could facilitate foreigners' settling by providing more information in English and collecting important information especially on relocation matters to one place.

## 8 CONCLUSIONS

During the last few years Finland has been reformulating its migration policies aiming to attract more immigrants as a reaction to the rising demand of labour force. Because of ageing of the population and structural changes in the economy, there will be a strong need for immigrants to fill the labour shortage in the upcoming years. Currently there are relatively few immigrants in Finland compared to the other EU countries.

The growth of the Finnish economy has been based on a competitive strategy where the success has been built upon classical urban economic development: product market competitiveness and productivity from its talent and own firms, most of them knowledge-intensive. Unlike many other countries, Finland has not heavily promoted the capital region abroad in order to attract international investment as a mechanism to counterbalance the scarcity of talents and firms. On the contrary: the region has grown from its own potential. The Finnish talent has secured positions in several multinational organisations and many business organisations have gained a firm standing in the global economy. One of the greatest challenges at the moment is boosting internalisation through the inflow of investment and skilled transnational migrants into the area (Steinbock, 2007; Lammasniemi, 2008). Even the internationally competitive ICT- field, which has been responsible for much of the growth of the Finnish economy, has been expanding mostly outwards instead of attracting significant investments and international talent into the area.

Until very recently Helsinki has had very homogenous population with a small share of foreign immigrants, and the current share of seven per cent is still very low for a European capital city. The educational level of the immigrant population is also clearly below the educational level of the total population, even though it is average by European standards. The educational level, together with the immigrants' relatively weak position in the labour market, is also reflected in their employment rates. Our study highlights one clear weakness, where Finland is in the bottom of the EU-comparisons: the immigration and employment of professional and technical migrants. The share of employed professional migrants as a percentage of total employed professionals is the weakest in Finland together with Poland, Slovak and Check Republics, and a large share of professional immigrants are overly qualified in their working positions (OECD Science..., 2007).

At the moment Finland is still one of the few EU countries, where the outflow of skilled migrants exceeds the inflow. The questions of attracting and retaining highly skilled immigrants explored in detail in this study, relate to at least two distinctive nationally important issues. The one, which is the strongly addressed in the national policies, is the forthcoming labour shortage. The other one relates to competitiveness in knowledge industries. This question has been addressed among others by Porter (2006), who has described the importance of the diversity of local users as a strategic advantage when the

knowledge industries are further developed. On that front the homogenous nation and the city-region of Helsinki are definitely lagging behind (Vaattovaara, forthcoming 2009).

Despite the troubles of attracting and integrating highly skilled migrants into the labour market, we were able to find a group of migrants, who had good positions in the creative knowledge field and were overall relatively satisfied with their life in Helsinki. These migrants were mainly employed within the most internationalised clusters, which also enjoyed a globally good reputation according to the migrants' views. It thus seems that Finland and the Helsinki region appear internationally attractive in some specific fields and are able to offer a good standard of professional and everyday life within the European context. However, the lack of international experts and the recruitment troubles in the Finnish creative knowledge field became evident also in this research. We had serious difficulties of finding highly skilled transnational migrants to interview even in some larger, internationally operating business organisations.

The groups of transnational creative knowledge workers found for this research differed in some aspects from some of the groups often described in the literature of international migration (see Chapter 2). For instance, only two of our interviewees belonged to the category of expatriates operating and relocating through major transnational companies. This group of migrants is one of the most addressed in several European countries. However, the relative lack of the expatriates relocating through large companies is in line with the observation of growing heterogeneity of the skilled migrants and the rising share of migrants coming on their own motivation (see Chapter 2.5). The share of migrants arriving directly from their country of birth for economic reasons was also negligible. The majority of transnational creative knowledge workers found in the internationalised clusters of Helsinki had some degree of previous experience of living abroad before arriving in the region, but they did not view Helsinki primarily as a stepping stone to other cities. The decision to move had primarily been made on the basis of a good job offer or personal social reasons, and the role of chain migration or larger professional or other social networks seemed to be relatively small.

The interviewees worked mainly within the ICT or research and education sectors and many had plans to stay in the city for a longer time. They had generally settled well into the city. About half of the migrants stated that they wanted to stay in Helsinki on a longer term, and all but one in the group wishing to stay had acquired a family or a partner.

## **8.1 The “soft” and “hard” factors’ role as pulling or retaining factors**

In the group of highly skilled migrants, the primary motivating factors for coming into Helsinki seem to be either related to their career or social life. The majority of the interviewees were mainly attracted to the region by what could be deemed as hard factors: a tempting job offer, good educational possibilities or economic incentives such as better pay. A smaller but significant group have initially come to Helsinki because of important social relations, such as following their partner. However, the role of social networks or chain migration seems to be relatively small.



In the case of Helsinki, the so called soft factors, or quality of life reasons, are not very important as direct causes of migrating to the city, although they can make a difference on a secondary level when choosing between places. According to the migrants' views, Helsinki has a good standard of living and is considered a safe and clean city, which can have some positive influence on the decision to migrate. On the other hand, some soft factors can be seen as being negative and may act more as demotivators for immigration. The cold climate and the darkness in the winter time seem to be the most significant negative features of the city, at least when it comes to the expectations of the city beforehand.

Our results confirm the notion that soft factors or quality of life indicators are not particularly significant in triggering the actual migration decision at least in the case of Helsinki (Forsander et al., 2004). However, soft factors do seem to play an important part for the migrant and the migrant families in settling and forming ties in the city. For Helsinki, the most attractive soft factors besides the general quality of life and safety were perceived to be the greenness and closeness to nature, the quietness and peacefulness of the city region and the well-functioning infrastructure. The cultural amenities, such as the nightlife and restaurant scene also received positive comments and were considered good for the size of the city. The interviewees' statements seem to confirm several assumptions, such as the significance of safety and nature, made in the national and local migration strategies presented in Chapters 3 and 4.

Many migrants coming from larger and more diverse cities generally missed the big city buzz and considered Helsinki very homogenous. The lack of diversity was seen as a negative aspect, but those who had been in Helsinki for a longer time noted that the atmosphere seems to be evolving into more diversified and open. Other place-specific soft factors receiving negative comments were the lack of open public space and street life and the homogenous architecture especially in the newly-built neighbourhoods. Three aspects receiving particularly severe criticism, social life, language and housing, will be explored below in more detail.

Based on our interviews, it can be concluded that Helsinki is generally perceived as a good-sized, green and overall well-functioning city, but lacking in diversity, housing choices and openness from the migrant perspective. The role of soft factors in the decision to migrate does not seem to be particularly significant and may be further downplayed by the fact that Finland and Helsinki are generally very little known internationally. Several interviewees claimed to have had very little previous knowledge of the country and the city when making the initial decision to migrate. Once in Helsinki, the role of soft factors appears to become more prominent and the transnational migrants seem to place even more value to some soft factors, compared to their Finnish peers.

## 8.2 Language and social networks

The interviewed creative knowledge migrants considered Finnish language as the greatest challenge in living in Helsinki. Although the migrants were happy with the level of English spoken in Helsinki, the local language makes settling into the city troublesome and social networks difficult to access. Many migrants felt that bureaucracy issues and everyday chores such as shopping for groceries are sometimes very challenging because of the Finnish language. The housing market is also difficult to enter since it operates mainly in Finnish.

The migrants who did not have a prearranged work position had faced the Finnish language skill requirements when looking for a job in Helsinki. The problems related to the Finnish language are partly institutional, such as the official language skill requirements in many public posts, but many employers state language requirements even when there are no direct institutional or practical grounds for them. Thus the Finnish labour market is not particularly attractive for migrants if they do not speak Finnish or do not have a prearranged position before arriving. The motivation to learn the local language is not always great for the migrants who are not planning to reside permanently in the country. Moreover, combining the Finnish language studies with long working hours was seen as difficult, and the migrants hoped for more integration of the language studies into the working life.

Another important finding in our study was the problems related to social networks, namely the difficulties in accessing the local professional networks and creating a social life. In the case of Helsinki, social networks do not play a prominent role in attracting migrants into the city, for example through chain migration, but they are very important in how the migrants settle in the city and how they can advance in their career in the long run. Especially the migrants without families had problems with creating a social life in Helsinki, and this strongly affected their overall satisfaction with the city. The migrant networks in the city are also relatively scarce. An important place for establishing social relations for the skilled migrants is the workplace, and if they didn't succeed in making friends there, they often felt alone. From the career-perspective, accessing the professional social networks is even more critical.

In the professional life, several migrants found the professional networks tightly-knit and difficult to access, and this weakened the migrants' career opportunities as well as their everyday satisfaction. The tightness of the professional networks and the flexibility and swiftness this offers to decision-making processes is often viewed as a clear strength of the Finnish economy (Ylä-Anttila, 2005; Vaattovaara, 2009 forthcoming). However, in the case of the skilled migrants, the strong networks are not an unambiguously positive feature. When tightness becomes synonymous with impermeability and the migrants cannot access the already established professional networks, the end result is a serious weakness. The Finnish language seems to enhance this problem. The need for highly skilled migrants is recognised at the national level and in the economic life at large, but only half of the decision makers in the economic life see the importance of international workers for the innovativeness of the organisation (Söderqvist, 2005). Generally, Helsinki seems to be a challenging city for highly skilled migrants when it comes to accessing both social and professional networks.

### 8.3 Housing

The highly skilled migrants see the housing situation as a significant weakness of the Helsinki Metropolitan Area. Besides the high cost of housing, there were several specific problems mentioned within this sector. The main critique was directed towards the small size of apartments and the general lack of quality and versatility in the choice of housing and neighbourhoods, especially in the category considered affordable.

The most serious problem with housing was felt to be the mismatch between the price and the quality. The migrants viewed housing as expensive, even in comparison to some world cities. Another problem was the small standard size of the apartments. For example one-room apartment, which is a relatively ordinary apartment type in the metropolitan core, was seen as something unacceptable. Drawing from our interviews it is clear that the migrants prefer having at least a separate bedroom. In addition, the housing market is difficult for foreigners to access because of the dominance of Finnish language and the prejudices of the landlords. There is also a lack of suitable, reasonably priced rental apartments. Renting is an attractive housing choice for the migrants who don't necessarily plan on residing permanently in the city. However, when migrants settle in the city and start a family, many of them want to purchase a dwelling of their own.

The problems of housing have been pointed out by the Finnish creative knowledge workers and company managers in earlier studies (Kepsu & Vaattovaara, 2008a, 2008b). From this perspective it is interesting that the highly skilled migrants, many of whom have experience of living in various countries, saw the housing situation as one of the weakest points of the Metropolitan Helsinki. The current housing situation seems to be a serious threat to Helsinki's competitiveness. When reflecting this result in connection to the local innovation strategy (Laurila, 2005), which emphasises the importance of "creative environments" including housing, it is evident that at least housing in the Helsinki Metropolitan Area is not seen as an attractive "creative environment".

The migrants' residential pattern appears to be similar to that of the Finnish creative knowledge workers', when comparing to the earlier ACRE results (Kepsu & Vaattovaara, 2008a). Majority of the interviewees, including all families with children, lived in suburban neighbourhoods. The highly skilled migrants' tendency to make similar residential choices as the corresponding native socio-economic group has been stated in the international research literature (e.g. Freund, 1998; Glebe, 1986; White, 1998; White and Hurdley, 2003). However, in Helsinki the migrants appear to value slightly different factors in their neighbourhoods than their Finnish peers: the soft factors, such as the atmosphere and the quality of the neighbourhood, are valued higher. Easy access to public transportation links is also important for the migrants, since many of them do not have a car. Location and reputation of schools is important for families with children, and the migrant families seem to place more significance to this question when compared with their Finnish peers.

Besides its theoretical relevance, the observation of similar residential patterns between the domestic and transnational creative knowledge workers is significant from the perspective of regional governance and housing policies. In our sample of 25 migrants, only two lived in the eastern parts of Helsinki, which host the majority of the immigrants in the area. This, together

with other similar findings on housing preferences (see Beqiri, 2008; Virtanen, 2008), renders the often expressed assumption of migrants preferring to live in particularly multi-ethnic neighbourhoods highly questionable. The finding also implies that policies aimed at offering attracting housing to international experts do not need to be concentrated on acquiring a large body of costly apartments in the city centre or other elite locations. Based on our results, there is a more direct need of promoting affordable, good quality housing and the development of safe, diverse neighbourhoods with special emphasis on the quality of architecture and neighbourhood atmosphere. Both the market for high quality rental and owner occupied apartments need to be addressed.

#### **8.4 Strengthening the city: “Flagship industries”**

Although the decision to move is influenced by a complex interplay of factors, work and career seem to be the main underlying motive - or at least the necessary prerequisite - in the group of transnational knowledge and creative workers in Helsinki. The level of goal rationality and strategic career planning among this group appears unique. The group of interviewees valued their careers highly and work played an important role in their everyday life and planned life course. Other factors such as social relations did appear to be significant in the decision-making process, but it is questionable, whether the immigration decision would have been made if employment opportunities were perceived weak. As discussed in Chapter 2, it is increasingly common to move to a place and start looking for work afterwards also in the skilled group, but the decision to move is still often dependent on the employment opportunities available.

The logic of the decision-making process of creative knowledge workers is summarised by Richard Florida (2000, p. 44) as follows:

*“Knowledge workers express a distinct preference for cities and regions with a “thick labour market” that offers a wide variety of employment opportunities in high technology fields. Because job tenure in high technology industries tends to be relatively short and young knowledge workers expect to change jobs frequently, such a thick labour market has become a key factor in selecting a place to live and work.”*

According to both Florida's assertion and our empirical data, employment opportunities can thus be seen as a *conditio sine qua non*, a necessary prerequisite, while other factors play a role after this condition has been satisfied. Other things being equal, soft factors probably tip the balance in the favour of a more diverse city. As formulated by Florida (2000, p. 5): “The availability of job and career opportunities is a necessary but insufficient condition to attract the young knowledge workers. [...] Quality-of-place completes the picture.”

Against this background, two observations in this research appear very relevant for the institutional decisions taken in Helsinki: the expressed criticism towards employment opportunities and accessibility of the professional networks, and the fact that the transnational knowledge workers ranked employment opportunities as a motivating factor in the case of Helsinki lower than their Finnish peers. The majority of the Finnish creative knowledge

workers naturally compare Helsinki with other Finnish cities when assessing the reasons for migrating to the region, and the employment opportunities are thus viewed as motivating. In the case of transnational migrants, the majority of whom have lived in other larger European cities, the opportunities do not appear as motivating as in the national comparison. After living in Helsinki, many of the migrants still viewed the employment opportunities as lacking. This can be interpreted as a serious signal of a competitive disadvantage of the Helsinki Metropolitan Area.

The literature on international migration and career-oriented creative knowledge workers points to the importance of a “thick labour market” as expressed by Florida (2000). The size and network connectivity of the city naturally places limits on how extensive and diversified the labour market can be. A minor metropolis such as Helsinki cannot offer employment opportunities equal to those of London or New York throughout all sectors of economic life, but even a smaller metropolis can compete on a narrow segment of economic activity. Helsinki has a strong cluster of ICT, research and design organisations and some strong flagship business organisations such as Nokia and Marimekko marketing these clusters abroad.

From the perspective of our research, the role of strong clusters and the accessibility of the networks within them seem to be very strong for attracting and maintaining international experts. Enhancing these clusters and encouraging more employment opportunities and social openness within them appears as the single most relevant action in attracting a larger body of transnational creative knowledge workers. This is especially relevant in the case of younger experts, whose position and preferences in the labour market is built most often on short-term employment within one organisation, creating a direct need for a larger, flexible labour market. In short, instead of flagship businesses, the strategies could be organised around what could be viewed as whole “flagship industries”.

In conclusion, the employment opportunities within and the overall strength of the “flagship industries”, price and quality of housing and the accessibility of the social networks especially in professional life are the major aspects the interviews in this research suggest as development needs. More rigorous marketing of the city is also a point, which several interviewees raised. The city has a variety of strengths generally appreciated by transnational creative knowledge workers and especially appealing to families with children. Making the strengths better known could contribute to the decisions to migrate into the area. After the necessary conditions concerning employment opportunities are satisfied, several soft factors can have a direct impact in attracting talent to the region. In the case of Helsinki, one of the region’s strengths is clearly its high quality of life and its safety. As one interviewee sums up her feelings about the city:

*“I think that Helsinki is like really “mukava” [nice, comfortable], because it’s not too big, and it’s not too small. Like Paris and London and those big cities, Berlin and so on, they are so big, that you get this feeling of, well bigness, whereas here it’s like home, and smaller scale. So, it makes me feel, that you don’t have to be restless. [...] And I think that’s what Helsinki provides, like a good balance that, it’s the Helsinki city, the centre has developed so much over the years that it’s really not so small anymore, it’s not countryside city anymore, there’s enough of shopping places, enough of restaurants which are design driven so they look really nice and attractive and so on, but at the same time you can really have like a life here because you have a safe environment to live.”*

Interviewee 22, marketing and business consultancy

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### Appendix 1: WP7 Interview themes

#### Start

- Presentation of interviewers, background of study, aims, topicality
- Practical info on the interview: anonymity, tape recorder, structure of interview

#### Background

##### Professional background

- Education
- Career: main steps in career after finishing study
- Current work

##### Personal background

- Family situation
- Where are you from?
- Where do you live?

#### The move

##### Motivation to come – what brought you to Helsinki?

- Why did you come? If work, is Helsinki special in your field?
- Are you here with your family? Their role in the decision?
- How did you find your (first) job in Helsinki?
- Company transfer / own idea / ...?
- Monetary support for moving here? Paid yourself?

##### Knowledge / image of Helsinki before move

- What did you know about Helsinki before?
- Did you know anyone here?
- Image of city before first visit?

## **Life in Helsinki**

### First months (settling) in Helsinki

- How did you experience your first months in Helsinki?
- How did it measure against your expectations?
- How did you find your apartment?
- Did you get support?
- Positive and negative experiences

### Current work situation

- Position, job
- Positive and negative sides of your work
- Observations on differences (in working culture, ...)
- How satisfied are you? What would you like to change?

### Housing, the neighbourhood, the apartment

- Can you describe your actual living situation in Helsinki? Apartment?
- Where do you live (and have lived before Helsinki)?
- Why do you live there? What factors influence your choice to live there?
- How satisfied are you with your neighbourhood? Positive and negative sides?
- Atmosphere? Public services? What services do you use /miss?
- What would you like to change?

### Spare-time, hobbies

- How do you (and your family here) spend your free time? Where?
- With whom do you spend it? Is your circle of friends Finnish or international?
- Enough to do, or would like to do more?
- Suggestions

### The city region – living in Helsinki

- How satisfied are you with the city as a whole?  
(atmosphere, functionality, welcoming to foreigners, public services, housing, accessibility, quality of life, natural and city environment, salary/taxes, etc.)
- What do you like best here?
- What are the challenges of living here?
- Do you feel attached to Helsinki? How (not)?
- How is Helsinki as a city of living compared to your home town? Compare them a little.
- Do you miss a certain type of support?
- Bureaucracy, official matters, immigration, residence permits etc.
- Is Helsinki an attractive city?
- Suggestions of making it a more attractive city for international skilled migrants

**Future plans**

- What are your future plans? What do you want to achieve / see happen to you in five years?
- Why in Helsinki/ why not in Helsinki?
- Plan to work abroad elsewhere?

Would you like to add something?

Finally, on a scale from 1-10 (1 being the worst and 10 the best), grade:

- your apartment
- your neighbourhood
- the city (Metropolitan Helsinki)

## Appendix 2

### Highly skilled migrants in Helsinki – background information

Name .....

Country of birth ..... Year of birth.....

Nationality/nationalities .....

#### Countries of residence before Finland (others than country of birth)

Country	Length of residence
.....	.....
.....	.....
.....	.....
.....	.....
.....	.....

Date of arrival in Finland (month, year)  
 .....

Education (highest degree, subject, country where obtained)  
 .....

Current position  
 .....

#### Household type

- single                       couple (without children)  
 couple (with children)       single parent

#### Monthly household income before taxes (€)

- don't know or don't want to answer  
 0 – 999                       1,000 – 1,999                       2,000 – 2,999  
 3,000 – 3,999                       4,000 – 4,999                       5,000 – 5,999  
 6,000 – 7,999                       8,000 – 9,999                       10,000 or more

Place of residence in Finland (street, city)



### Appendix 3

Please answer the following two sets of questions:

- 1) Rank the 4 most important reasons why you currently live in Metropolitan Helsinki, a total of four reasons. Use each number only once.  
(1 being the most important and 4 the least important)

<b>Personal Connection</b>	Born here	
	Family lives here	
	Studied in Helsinki	
	Friends live here	
<b>Job</b>	Moved here because of my job	
	Moved here because of my partner's job	
	Good employment opportunities	
	Higher wages	
<b>Location</b>	Size of city	
	Weather/climate	
	Good transport links	
	Proximity to natural environment (sea, mountains, countryside)	
<b>City characteristics</b>	Housing affordability	
	Housing availability	
	Housing quality	
	Safe for children	
<b>People/Social Atmosphere</b>	Openness to different types of people (in terms of race, ethnicity)	
	Open minded and tolerant	
	Minority friendly	
	People's language skills (able to communicate in English, etc)	
	Overall friendliness of city	
	Diversity of leisure and entertainment facilities	
	Supply of culture	
	Diversity of the built environment	
<b>Education</b>	Presence of good universities	
<b>Other reasons</b>	(please specify)	

2) How important were the following factors in your decision to move to your current neighbourhood of residence?

		<b>Very important</b>	<b>Quite important</b>	<b>Somewhat important</b>	<b>Not important</b>	<b>Not applicable</b>
A	Distance from home to work					
B	Cost of dwelling					
D	Size of dwelling					
E	Availability of private open space (e.g. balcony, terrace, gardens)					
F	Proximity to family/friends					
G	Closeness to services/facilities					
H	Proximity to public transport					
I	Proximity to major roads/highways					
J	Nearness to pubs/nightclubs					
K	Closeness to city centre					
L	Proximity to good quality schools					
M	Availability of crèches/day care/ kindergartens					
N	Availability of Leisure facilities					
O	The quality and image of the neighbourhood					
P	Closeness to public open space (e.g. parks, playgrounds)					
Q	The neighbourhood atmosphere					

Name of interviewee: .....