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Asian Foreign Direct Investment in Lower Silesia and Migration Movements in the Region

Introduction

In recent years the Asian community has become more visible in Poland and the interest in Asian culture has spread significantly outside the scientific circles. One of the main reasons seems to be the growing presence of Asian migrants in Poland. Vietnamese, Chinese, Japanese or Koreans, to name the most visible nations, can be met in the biggest cities of different regions in Poland. The phenomenon has been already noticed in Polish migration literature, yet in most cases the studies refer to Chinese and Vietnamese immigrants, focusing on Warsaw and the Masovian region (Dąbrowski, 2012; Piłat and Wysieńska, 2012). At the same time, the statistical data in Lower Silesia discussed later in this paper brings clear evidence of increased migration flows from Asia to the region between 2004 and 2012. Poland, which in recent decades had been an emigration country, has not yet explicitly formulated a migration policy. Based on the Lower Silesian example, authors claim that the lack of explicitly formulated migration policies does not obviously mean a lack of political actions shaping the migration landscape of the given community. Diverse political initiatives on different levels of governance – European, national, regional and local – influence the development of migration policies in Poland. Therefore, the authors of this text have formulated the following questions:

- What are the main political factors within the region/city stimulating the migration movements?

- How do different subnational policies influence the inflow of diverse categories of immigrants and their life in the host country, and what consequences can this bring for future migration flows?

By observing the increasing investments from South-East Asia in the Lower Silesia and increased inflow of Asians at the same time inspired the authors of this paper to investigate both phenomena and ask: how do the decisions taken at regional and local level influence the inflow of migrants to the region?

Poland is a leader in foreign direct investments (FDI) in Central and Eastern Europe ("The Warsaw Voice", June 27, 2013). In Lower Silesia, the second Polish region in terms of investment attractiveness, a lot of Asian companies have been investing since the beginning of the 21st century, among them are LG Electronics, LG Chem, Heesung Electronics, LCD Display, Dong Seo (South Korea), Toshiba, Toyota Motor Industries Poland, NSK Steering Systems Europe, YAGI (Japan) and Chung Hong Electronics (China) (Jankowiak, 2011). Literature devoted to the flows of FDI typically lists such consequences of the phenomenon as: transfer of new technologies and management culture, employment for local the community and increased overall attractiveness of the receiving region in the eyes of future investors (Budnikowski, 2006: 144–145). The paper investigates if and how FDI may be related to the inflows and outflows of migrants in the given region. The authors of the paper claim that based on the Lower Silesia case study one may draw the following conclusions stating the consequences of Asian FDI inflow:

- Increased temporary immigration of Asian managers and their families (in order to live in the region for at least a few years);
- an increase of Asian cultural visibility (new public places run by or for Asians, for example. restaurants, grocery shops and libraries);
- foundations for developing Asian immigration communities and social networks (highly skilled workers of the transnational corporations (TNCs) and small entrepreneurs providing them with ethnic goods and services);
- development of international facilities in the city (such as international schools).

The first section of this paper describes the theoretical findings from economical literature on how FDI influence migration flows in the receiving regions. Do they draw immigrants to the given region, or do the two types of flows – capital and people – go in opposite directions? What are

the main channels of migration connected to FDI and what may be the reasons for such migration? Upon reviewing theoretical answers to those questions, the authors introduce a theoretical framework of multi-level governance in the area of migration management. They show how the local development policies are embedded in the multi-level framework, shaping the migration landscape of the city of Wrocław, the capital of Lower Silesia. The second section of this paper presents the key facts about European, national and local policies influencing migration in Lower Silesia with a special focus on the development policy in the Wrocław agglomeration. It shows the evolution of Asian FDI in the region as part of the local development policy in between 2004 and 2012, mapping the most important investments. Next, This data is compared to the numbers regarding temporary residence in Lower Silesia, which present interesting tendencies during the investigated time period. Last but not least, the authors highlight the evidence of increased visibility of Asian people in the Wrocław agglomeration. In the concluding part the main findings are summarized in order to confirm the leading thesis of this paper: Asian FDI in Lower Silesia affected the migration flows, which brings clear evidence of the growing role of regional and local authorities in managing migration through pursuing their economic goals.

FDI, labor migration and multilevel governance in theory

According to the OECD, this paper defines foreign direct investments (FDIs) as cross-border investment by a resident entity in one economy with the objective of obtaining a lasting interest as an enterprise resident in another economy (OECD Factbook). In short, it is an investment of capital abroad in order to create a new enterprise (greenfield investment) or to take control over existing entities (brownfield investment) (Budnikowski, 2006: 145). FDI have become a domain of big international companies, which utilized them as one of their development strategies in order to establish an international network consisting of a parent enterprise and foreign affiliates that together form a TNC.

The relations between the flows of different production factors, including capital and labor (human capital), have been studied by different researchers for a long time. Navaretti, De Simone and Sembenelli (2007)

present a brief review of the different theoretical approaches. Standard neoclassical models of economic integration are based on the assumptions that capital and labor are substitutes. The model predicts that the relatively capital-abundant countries experience net inflows of labor and/or net outflows of capital and vice versa. In other words, to the countries into which capital flows, people do not. The migration of people should rather take place from a labor-abundant country to a capital-abundant one (Navaretti, De Simone and Sembenelli, 2007: 3–4). Yet other researches acknowledge the fact that labor migration, or in other words the human capital, is not a homogenous factor and we can distinguish many different kinds of labor migrants, within which there are two main categories: low skilled and highly skilled workers (Navaretti, De Simone and Sembenelli, 2007: 5). The international mobility of the highly skilled migrants concerns men and women with a broad range of educational and occupational backgrounds, university students, nurses, information-technology (IT) specialists, researchers, business executives and managers and other intra-company transferees. Some of these highly skilled individuals, such as business executives, managers and experts, may be prone to follow the FDI streams within given TNCs, as they possess the required knowledge and experience needed to transfer the know-how of the companies (Globerman, Shapiro, 2008: 19). According to Harzing (2001: 581–598), the main reasons of cadre migration within TNCs are: position filling; management development and coordination and control, which seem to be most important in host countries that are culturally distant from their headquarters.

Having said the above, it is interesting to recall a typology from Peixoto's (2001) studies in Portugal that present the levels of cadre migration within TNCs (weak versus strong cadre migration) depending on different variables (Table 1).

Both theory and empirical evidence confirm that under certain circumstances a strong complementarity exists between migration of highly skilled workers and FDI flows. The so called agglomeration effect and networking have been recognized in these new strands of literature on FDI and migration. The first one refers to a thesis that under specific circumstances firms and migrants have a tendency to agglomerate in the given host countries (Buch, Kleinert, Farid, 2006: 2018). To use an example presented by Navaretti, De Simone and Sembenelli (2007), the presence of a large migrant community may lead to the setting up of international

Table 1. Typology of TNC cadre migration depending on different variables

Independent variable		Level of the cadre migration
Age of operation; development phase of the firm	Old	Weak
	New	Strong
Installation strategy; investment orientation	Domestic market	Weak
	Export	Strong
Main activity	Manufacturing	Strong
	Services	Weak
Type of technology	Traditional	Weak
	New	Strong
New or pre-existing firm	New (greenfield)	Strong
	Pre-existing (brownfield)	See line below
Crisis or success (pre-existing firm)	Crisis	Strong
	Success	Weak
Nationality; company culture	European	Variable
	USA	Variable
	Other	Variable

Source: Peixoto, 2001: 1043.

schools, making a location attractive for further foreign firms and their foreign managers or, conversely, the presence of attractive companies may attract highly skilled workers to the region. The skilled migration may in turn facilitate growth-enhancing technology transfer, further trade and foreign direct investments, as well as further migration flows. The literature shows that migrants in developed host societies may personally be involved in trading and investing in their less developed home countries, thus boosting trade and foreign capital inflows, thanks to their inside knowledge or social ties (Kugler and Rapoport, 2007). This can work also in the opposite way – highly skilled migrants in the less developed host societies may draw capital to the destination countries through establishing networks with their home countries. In both cases, networks of information, assistance and obligations that develop between migrants in the host society and their friends or relatives in the sending area remove the time, space and cultural limits for both capital and people migration (Vertovec, 2002). Though people have been migrating for centuries, human capital mobility has become one of the prominent features of the globalized world. The knowledge driven economies started to compete for highly skilled migrants in order to benefit from the “brain gain” effect (Zalatel,

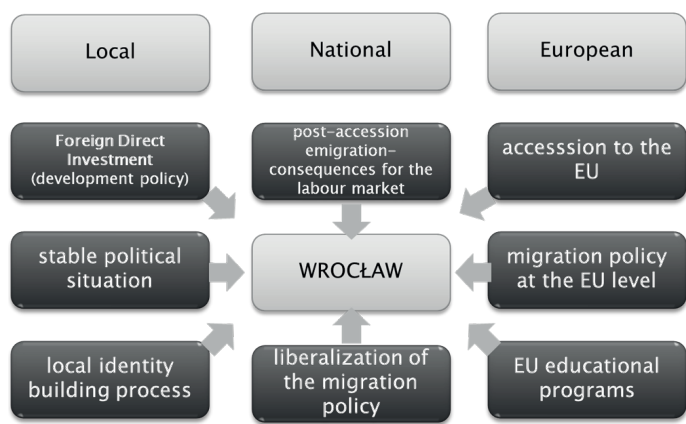
2006: 613–635). The highly educated migrants are welcomed by authorities of many countries and are much easier accepted by host societies, within which they mostly meet with respect rather than discrimination or hostility. The low skilled migrants, on the other hand, very often raise fears, especially when the attitudes are escalated by the extreme red-wing political parties.

The literature review brings following conclusions: highly skilled employees of TNCs may be prone to follow FDI streams by (mostly temporary) migration within the corporate structures and FDI and inflow of highly skilled employees tend to agglomerate and contribute to building international networks, which in turn may encourage further investments and other types of migration, such as low skilled workers or ethnic entrepreneurs.

Therefore, it is interesting to ask about the role of the authorities who formulate and execute the development policy, including local strategies towards FDI.

In migration studies the analysis of shaping migration policies by local governments, acknowledging the new forms of governance is relatively new. One of the first comparative studies in this field was the UNESCO project on *"Multicultural Policies and Modes of Citizenship in European Cities"* implemented in 1996 and the OECD study in 1998 resulting in the publication entitled *"Immigrants, Integration and Cities. Exploring the Links"*. Both projects identified the areas in the field of immigrant integration in which the local authorities were interested and did participate through various programs. Both studies collected a large number of interesting empirical data, though they did not develop any theoretical framework that would allow comparing studies between the cities (Matusz-Protasiewicz, 2013). Based on those results, however, Alexander (2004) has prepared an interesting typology helping in comparisons across the cities with regard to attitudes and policies towards immigrants at the city-level. Zincone and Caponio (2004) published *"The Multilevel Governance of Migration: State of the Art"*, which classifies this area of study as the newest and relatively poorly explored. The authors of the *State of the Art*, as the first researchers, attempt to create criteria for the analysis of migration policies, taking into account the multi-level governance (MLG) model. The MLG was widely discussed for the first time by Hooghe and Marks (1996), who claimed that the EU is a system in which a kind of complex constellation of various powers and authorities exists rather

than the rigid distinction between different levels of government. Zincone and Caponio (2004) propose to focus on the two-dimensional analysis. The first refers to the levels of government where decisions are made at the national, regional or local level and the relationship between these levels is shaped from above (top-down) or through some grassroots initiatives (bottom-up). The second dimension relates to formal and informal actors: NGOs, social movements, minority groups and their role in managing diversity (Zincone, Caponio 2004: 1–2). Governance from above, executed by supranational institutions that transfer the tasks to regional and local levels, is mixed up with grassroots processes within which subnational entities cooperate with the authorities of the state and the European Union (Zincone, Caponio 2004: 7).



Graph 1. Migration governance at the multilevel framework – Wrocław

Source: own elaboration.

Graph 1. illustrates what role the different levels of actors and policies have in shaping the actual approach towards migration in the Wrocław agglomeration, the capital of Lower Silesia. It shows the mechanisms of managing migration flows from a broader perspective than only an analysis of the traditionally understood national migration policy. Contemporary migration governance in the EU takes place on many levels of power: supranational, national and subnational (regional/local). It involves many institutional and non-institutional actors, as well as formal and informal cooperation between the different players (Matusz-Protasiewicz, 2013).

The decision process is carried out in multiple dimensions, in the context of formal and informal consultations. It is worth highlighting that in the case of governing migration, the regional level does not play as significant role as the level of local authorities, especially when it comes to integration policy. The majority of immigrants to the EU settle in cities. Therefore, cities are the actual actors that face the challenges arising on-site. The cities not only start to deal with the migration issues by themselves, but they cooperate with each other via urban networks within which the member cities make comparative research, share the best practices or even make recommendations for European institutions as a collective actor. Cities (metropolitan areas) have therefore become not only the most important spaces of receiving immigrants, but also active subjects co-shaping the immigration policies from grassroots (Matusz-Protasiewicz, 2013: 76).

In the next section the authors will present in detail the development policy of the Wrocław agglomeration in the multilevel framework illustrated on the above graph. Empirical data, discussed further, will show in turn that Lower Silesia brings evidence on the complementarity of highly skilled worker migration from South Korea and Japan, and FDI coming from these countries. Moreover, some empirical evidence will be presented, which shows that the migration of the highly skilled temporary employees of the TNCs may encourage further migration flows to the region.

The political landscape, Asian FDI and migration in Lower Silesia between 2004–2012

The diversification of activities at various levels of power looks differently in given countries depending on the political system of the state and its experience in migration. In France, for instance, we have to deal with a central management of migration, while in Germany, Spain and Italy the activity of the regional and local authorities can be clearly noticed, resulting from the high degree of autonomy of the regions in local political systems (Bleich, 2003). As already noted, Poland is among the CEE countries which are on the path of transitioning from emigration to immigration societies and where the migration policy is still at a very early stage of development. At the local level (perhaps with the exception of Warsaw), the presence of small groups of immigrants, mainly from countries of

the former Soviet Union or highly skilled workers in multinational companies, is not as perceptible to other community members as in the cities of Western Europe (Matusz-Protasiewicz, 2010: 4). Nonetheless, the situation has been changing for the last few years. Since the late 1990s, the Polish migration policy has been shaped under the regulations adopted at the international level, with particular emphasis on the European Community law. Access to the European Union (EU) required an adjustment of the Polish legislation to the EU *acquis* also in the area of migration and asylum, which resulted, among others, in updates to two important laws, entering into force as of June 13th, 2003: the Act on Foreigners (with two amendments on April 27th and June 15th, 2012); and the Act on the Protection of Foreigners on the Territory of the Polish Republic.

A separate piece of legislation was also passed to regulate the rules of entry and residence in Poland for nationals from other EU Member States and their family members (the Act of the 27th of July 2002, next replaced by the Act from the 14th of July 2006) (Weinar, 2006). Most recently, in the strategic document accepted by the Polish government on the 31st of July 2012 *“Migration policy of Poland – the current state of play and the further actions”*, the main strategic goal is the adaptation of a migration policy to labor market priorities and the need to ensure the competitiveness of the Polish economy. The document highlights that one of the most desired groups of immigrants are the foreigners conducting economic activity, especially those that provide new workplaces. The other privileged groups are also labor immigrants with required qualifications and/or delegated by foreign employers within the European and Polish laws. The important question is, what are the actual economic needs and are they the same on the European, national and local levels. In the previous section the authors pointed out that the different levels need to be taken into consideration, as they all have a specific impact on the migration in the given territory.

On the European level, after the Treaty of Lisbon entered into force in 2007 and the abolition of the pillar structure, migration policies have become the subject of competence of the European Commission, the European Council and the European Parliament – all acting within the framework of the cooperation procedure. Within the *Area of freedom, security and justice* the following fields, among others, have been defined: the free movement of persons (internal mobility of EU citizens), asylum, immigration and border control (preventing illegal immigration) (Duszczyk,

2011). The EU started to work on various tools in order to help in the creation of complex and consistent migration governance across Europe. For instance, the European Fund for the Integration of Third-Country Nationals (EIF) has been launched for the 2007–2013 time period. The EU offered financial support to different actors, including local authorities, NGOs or research institutes, for developing projects focused on more effective integration of third-country nationals. In Poland the available budget has been utilized mainly in Warsaw and the Masovian region, where the presence of immigrants is most visible. However, some small projects have been also launched in Wrocław, for instance by the Center of Social Integration (Matusz-Protasiewicz, 2014). Although there is no evidence in Lower Silesia of a systematic immigration policy actively created at the local level, as we will see further in this section, the local policy and local economic interest substantially influence migration movements. Moreover, the increasing number of immigrants residing in the biggest Polish cities attracts the attention of local communities, governments and NGOs. Poland is a centralized country with the immigration policy in its early stage, with no explicit migration policies on the regional and local levels. However, these levels must not be neglected anymore in analyzing migration flows in the country, as they shape it indirectly, for example by winning foreign direct investments.

Currently the Wrocław agglomeration is one of the fastest developing cities in Poland. In recent years, many economic and political factors have contributed to the increase in FDI in the city and surrounding districts. From the political perspective, the stable political situation in Wrocław should be highlighted. The city has been governed over the last 18 years by the same party, which has been implementing a consistent strategy for development without any significant changes. This was also the case for the public relations policy of building an image of Wrocław as a friendly and open city (Wrocław as the “meeting place”). In 2006 the Wrocław Agglomeration Development Agency was launched as a partnership between local authorities in order to stimulate economic growth and investments in the agglomeration. Among others, a lot of Asian companies have been drawn here for investing since the beginning of the 21st century. Overall, the number of companies with foreign capital rose constantly in the time period between 2004 and 2012 (Graph 2). The biggest investors are: Credit Agricole, LG Philips LCD, Toyota, Toshiba, LG Electronics, Whirlpool, 3M, VOLVO, Skanska, Cadbury, Credit Suisse, BASF and HP (Polish Information and Foreign Investment Agency).



Graph 2. Number of companies with foreign capital in Lower Silesia

Source: own elaboration based on data from Central Statistical Office.

The Asian investments calendar in Lower Silesia looks as follows, to mention only the key dates and the biggest companies:

- 2001: the first Toyota investments;
- 2004 and 2005: Bridgeston, AKS, YAGI, TBMECA, SANDEN (the “year of Japan investments”);
- 2005: start of the LG investments, meaning LG Display, LG Chem, LG Innotek;
- 2005–2006: start of the Heesung Electronics Poland, STARION and TAE SUNG;
- 2006–2007: development of Toshiba Television and Logistics;
- 2007: LG Electronics opens two new big factories and Chung Chong, as well Samwha, open their entities;
- 2009: LG reduces its planned investments due to the crisis;
- 2013: LG announces an increase in investments.

All of the companies belong to high-tech or automotive industries and agglomerate in the Special Economic Zones of Lower Silesia forming company clusters called Chaebol (Korean) and Keiretsu (Japanese), according to the Asian business way (Jankowiak, 2011: 219–228). It is interesting that already in the negotiation phase some of the requirements of investors were related to the quality of life for potential foreigners, such as improvement in the infrastructure of international education. The inflow of Asian investments increased Asian visibility in the local community right away, for example by giving the specific names to the streets like

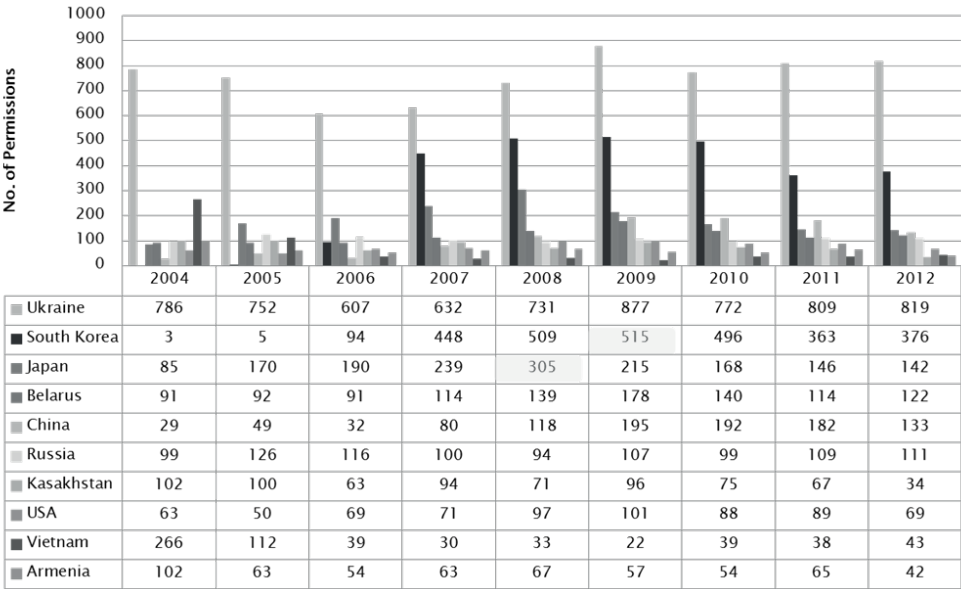
“LG Street” in the district Kobierzyce (near the place where the big LG investments are situated).

One of the key factors pulling the Asian FDI to the region was the availability of labor: the educated engineers for intermediate technical positions and low skilled workers for the production lines. As it occurred unexpectedly, regarding the second group, expectations be hardly be met due to the post-accession emigration of low skilled workers who moved to England and other Western European countries looking for better wages. At that time the investors in Lower Silesia and local authorities being under pressure even started to look for opportunities to pull a certain number of low skilled workers from China to the region. Such attempts have obviously been blocked by the Lower Silesian Governor’s Office, which represented the standing point of the national and European levels – not interested in the admission of a group of low skilled employees to the common European territory.

Upon analyzing the latest statistics on international migration in the region it is, however, evident that the Asian investments brought significant changes (Graph 3). The number of foreigners arriving to the region for temporary stay increased significantly, especially in the case of South Korea and Japan, where most of the FDI came from. The numbers reached it speaking the years 2007 and 2008. In 2009 they started to decrease slightly, which could be related to the international crisis, when for example LG announced the reduction in the previously planned investments (see the Asian investments calendar discussed above).

According to an interview with Tomasza Bruder, Director of the Department of Nationals’ and Foreigners’ Affairs at the Lower Silesian Governor’s Office, Japanese and Koreans arriving in Lower Silesia have followed their national investments, coming usually in small families (3 family members). These were mostly managers of intermediate and higher levels dedicated to the organizational and controlling tasks, which corresponds to the observations of Harzing (2001), that a bigger cultural distance increases the need for migration of national managers in order to execute control over the entities abroad. Additionally, a number of Korean specialists have been recruited for positions where the Korean language and cultural capacities were required. Referring to the Peixoto’s (2001) typology mentioned above (Table 1. on p. 4 of the previous section), we could expect that the South Korean and Japanese investments in Lower Silesia will be followed by relatively strong transfers of highly skilled employees, as all

of the investments were about building new entities (green field), as well as oriented for the production and export of new types of technologies. What is interesting is that the case of Chinese and Vietnamese arriving to the region is different, as these have been rather low-skilled workers, small business owners or students benefiting from national scholarships.



Graph 3. Numbers of migrants for temporary residence in Lower Silesia 2004–2012

Source: own elaboration based on statistical data from the Lower Silesian Governor’s Office.

Most of the Asian foreigners, regardless of their nationality, have arrived for temporary stays. The Lower Silesian Governor’s Office did not notice any increase in the number of Asian-Polish marriages or citizenship requests. On the example of Wrocław, the spatial differentiation is highly visible. Asian migrants live mostly in two districts on the south of the city (Krzyki, Fabryczna), which are near to the investments in Kobierny (statistics from Local Data Bank at Central Statistical Office). It is hard to estimate the overall number of Asian migrants in Lower Silesia. In 2012, 376 permits for temporary stay were issued for Koreans, 142 for Japanese and 133 for Chinese people. According to surveys performed by the authors among Koreans in the LG plants, they declared that their period of stay would be between 5 to 10 years.

The Asian migrants are more and more visible within the local community. According to the surveys made by the authors, there are a few evangelical churches in Wrocław that are visited regularly by Korean families. One of them is the Korean Church on 29 Kazimierza Wielkiego Street (Korean Church on Wrocław Homepage). A section with Korean books and journals has been opened in the public library that is located on the market square, called "Windows to Korea". The initiative has been supported by the regional authorities in cooperation with the National Library in Seoul. Among more than 3,500 volumes one can find books mainly in Korean and English (fiction, monographs, albums or publications on Korea) (Lower Silesian Public Library Homepage). Additionally, it is worth mentioning as an interesting piece of evidence regarding Japanese activity the cultural portal about local artists and artistic events run by volunteers and launched in 2005 by Tojotaka Ota, a Japanese citizen living in the city for several years. His initiative has been supported by the municipal authorities of Wrocław as part of the strategy *Wrocław the Meeting Place*. Although Tojotaka's migration was rather not connected directly to Asian FDI (he arrived as a PhD student inspired by his friends), it is a good example of Asian presence in the local community, gaining some kind of support from the city authorities. Last but not least, the association *International Friends of Wrocław* (IFW) has been launched – a non-governmental organization (NGO) supported by local authorities with the purpose of gathering people from different countries and currently living in Wrocław. On a daily basis it fulfills the following mission: "*The IFW serves as an informal social club and support network for international families or singles living and working in Wrocław. The Club's defining ethic is inclusiveness: There is no reason to feel alone*". (International Friends of Wrocław Homepage). The association recently organized two events related to Asian culture: the Korean Coffee Morning in February 2013 and the Asian Night in October 2012.

Although the size of the Asian community is still not significant, when compared to Western European cities, the authors would like to highlight with the above examples that the situation has been consistently changing. One of the main reasons is the inflow of Asian investments to the Wrocław agglomeration and other parts of the Lower Silesia region. The FDI not only contributed to closer relations between local authorities and Asian business and to the increase of mutual trust, but also physically pulled a number of Asian nationals, who changed the landscape

of the local community and have paved the way for further migrations by establishing facilities that improve the quality life for Asian people in the region. The presence of Asian managers and their families in Lower Silesia also results in a growing demand for ethnic products and services, which in turn may contribute to an emerging space for small ethnic entrepreneurship.

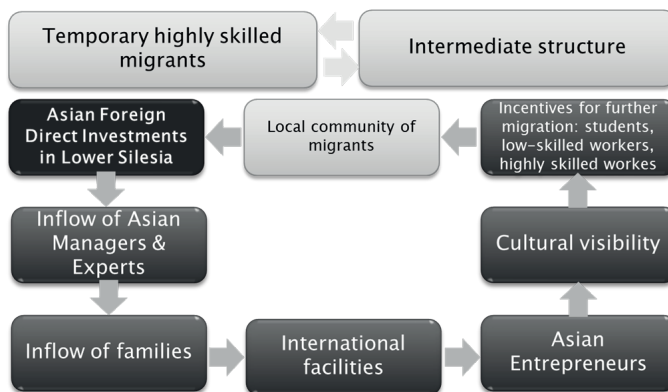
Conclusions

The statistical data in Lower Silesia brings clear evidence of increased migration from Asia to the region between 2004 and 2012. The authors of this paper have studied this phenomenon in order to answer, what the root causes were and what policies have had an impact on this situation. Poland is still an emigration country, where the migration policy is at an early stage of development. In this paper, however, the authors claim that a lack of an explicit immigration policy, either on the national or on the local levels, does not mean a lack of political actions shaping the migration landscape of the given society. Access to the European Union meant the adjustment of Polish legislation to the EU *acquis communautaire* in the area of migration and asylum, which resulted in harmonizing Polish priorities with the common European interest. Decisions in such areas, like the admission of nationals from third countries started to depend on European common agreements. Since the end of the 1990s one could observe an overall standardization of rules and an openness to highly skilled migrants – be it from the European Union or from the third countries. Yet the immigration and asylum legislation was not the only political factor shaping the migration flows. In the case of the Lower Silesia region, the consistent and stable development policy of the regional and local authorities pulled a significant number of Asian investments, which in turn pulled highly skilled Korean and Japanese managers, experts and their families to live in the region for at least several years. In the case of the Wrocław agglomeration specifically, the vision of the authorities was based on two pillars: FDI and the positive image of the city as a "European, multicultural meeting place." As pointed out in this paper, the FDI inflows contributed to the arrival of highly qualified migrants and their families. The authors claim that this resulted in the creation of an intermediate structure in terms of the growing number of Asian restaurants, shops and other services. While a part of these services has been

launched by Poles, the study indicated some of the first pieces of evidence of ethnic entrepreneurship.

What is additionally interesting is the fact that the development of the city, caused by FDI, led to the development of the construction branch. This, along with the post-accession outflow, caused the influx of laborers from neighboring countries, unfortunately, including illegal migration. One more issue arose around the post-accession emigration of low-skilled workers from Poland to Western Europe. Suddenly, the local authorities could not provide the promised employees to the Asian investors opening their plants. The investors and local authorities started to look for opportunities to pull a certain number of low skilled workers from China to the region; however, such attempts have obviously been blocked by the Voivodeship. The Voivodeship represented the standing point of the national and European levels, that is, it was not interested in the admission of a group of low skilled employees to the common European area. This example, as well as the increased migration from South-East Asia to the Lower Silesia region, proves that the actual migration is shaped on different levels and by different actors and not only through the explicitly formulated immigration and asylum policy.

The case of the Lower Silesian capital brings also evidence that there may be a strong complementarity between FDI inflow and highly skilled migration, which in the longer term may encourage development of the ethnic structure and international facilities in place that will contribute to further incentives for immigration, as illustrated below (Graph no. 4).



Graph 4. FDI and migration cycle based on the Lower Silesia case study

Source: own elaboration.

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