

**The Gilt on the Golden City? Transnational
Professionals and
the Production of Exclusionary Spaces in
Post-Socialist Prague.**

Andrew C G Cook

Department of Geography
Queen Mary, University of London

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Supervisor: Prof. Adrian Smith

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This thesis is the result of my own unaided work and presents as original nothing which is the result of work undertaken in collaboration with others.

Andrew C G Cook

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ABSTRACT

Over the last twenty years or so there has been a significant amount of research conducted within human geography relating to world cities, transnational elites and post-socialist transformation. The bulk of the research relating to transnational elites has been concerned with the role played by such individuals in (re)producing economic knowledge in 'Western' global cities, whilst their everyday lives, practices and spatialities have been largely neglected. In contrast to treating the everyday lives of these individuals as being contingent and taken-for-granted, this thesis unpacks the everyday lives and spatialities of these individuals and examines how they contribute to socio-spatial exclusion in the city of Prague, Czech Republic. The thesis argues that by understanding the everyday (spatial) practices of these professionals we can begin to gain a more nuanced understanding of the geographies that they produce.

I illustrate the importance of everyday practices in the production of exclusionary spaces by focusing upon: (i) the production and consumption of luxury residential property; (ii) the social networks of expatriates and the spaces that these networks produce; (iii) the time-spaces of their everyday lives; (iv) expatriate consumption practices. By focusing the research on these four categories, it has been possible to examine: (i) the exclusionary spatial forms produced by expatriate professionals; (ii) the processes and practices that produce such spaces and; (iii) critique the commonly held misconceptions that these individuals are normatively constructed as being 'elitist'.

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LIST OF ABBREVIATIONS

BCC	British Chamber of Commerce
CEO	Chief Executive Officer
ČEZ	Czech Energy
ČKD	Českomoravská Kolben-Daněk (Major Engineering Firm)
DPDI	Diary-Photo Diary-Interview Method
EBA	Expatriate Business Association
ECE	Eastern Central Europe
EU	European Union
EU-27	European Union-27 (Including New Accession Countries)
FDI	Foreign Direct Investment
FSU	Former Soviet Union
HR	Human Resources
IP8	Investors for Prague 8
MMR	Ministry of Regional Development, Czech Republic
MNC	Multinational Corporation
MSVP	Ministry of Labour and Social Affairs, Czech Republic
MVCR	Ministry of the Interior, Czech Republic
NUTS	Nomenclature of Territorial Units for Statistics
ORCO	ORCO Property Group
PR	Public Relations
REKG	Real Estate Karlín Group
TCC	Transnational Capitalist Class
TNE	Transnational Elite
TNP	Transnational Professional

NOTES ON CZECH PRONUNCIATION

Since Czech place names are used throughout this thesis, some indication as to the pronunciation is included here for reference. Written Czech is mostly phonetic, and (unlike in English) letters are pronounced consistently in the same way wherever they occur. Diacritical marks either lengthen the vowel (as in a, á) or change the sound altogether (as in c, č). Stress is usually on the first syllable of a word. The following is a rough guide: other letters are sounded much as they are in English.

a is between the a in bat and the u in but

á is like the a in car

c is like the ts in bats

č is like the ch in church

d' is like the d in dune

e is like the e in end

é is like the ea in pear

ě is like the ye in yet

ch (treated as a single letter) is like the ch in the Scottish loch

i is like the i in bit

í is like the ee in beet

j is like the y in yet, *never* like the j in jet

ň is like the ni in onion

q is pronounced kv

r is rolled, as in Scottish English

ř has no English equivalent; it sounds like a combination of a rolled r and the sound ž, as in Antonín Dvořák.

š is like the the sh in ship

ť is like the t in tune

u is like the oo in foot

ú and ů are like the oo in moon

w is pronounced like an English v

y is identical in sound to i

ý is identical in sound to í

ž is like the s in leisure

When followed by i or í, the letters d, n, and t are pronounced like d', ň and t'. The diphthong ou combines the Czech o and u in sequence, sounding something like the oa combination in boat, *not* like the ou in round or ounce. As a rule, all letters in Czech are sounded separately (an exception is the j in *jsem*, meaning "I am", which is seldom vocalised). The name Palacký is thus pronounced Pal-ats-kee, *not* Pal-a-kee.

CHAPTER 1

INTRODUCTION

On Charles Bridge over the Vltava River...There are the stalls selling watercolours of Hradčany Castle and Old Town Square. There are stalls selling cassettes of Dvořák and Frank Zappa and other honorary Czechs. There is the man with the wind-up gramophone and dancing puppets – see Gorbachev and Thatcher hop to a polka. There are stalls selling rings and necklaces – see, there is Olga, the pretty one with her eyes that ask a question and her lips half open with a promise until you've bought a trinket and are sent on your way.

Brierley (1995: 1)

At the end of the 20th century Prague [was] a thousand year old city awakening from a bad dream and struggling to remember its past glory as the spiritual crossroad of Europe.

Sýkora and Štěpánek (1992: 91)

1.1. INTRODUCTION.

This thesis is concerned with the reconfiguring of the geographies of Prague, Czech Republic, following the collapse of state socialism in 1989 and the positioning of Prague as an emergent global city. These issues are addressed by focusing upon transnational professionals (TNPs) and how they contribute to the production of exclusionary spaces within the city. First, the thesis engages critically with the geographies of these individuals, seeking to develop a more nuanced understanding of the mobilities, materialities and spatialities of a group of individuals seen as being at the very forefront of the transformation of urban socio-spatial inequality (Sassen 2001; Smith 2001). Second, by developing such an understanding in an emerging *post-socialist* global city, the thesis further examines the spatial impacts that these individuals have had upon urban space, within an ongoing set of political-economic transformations that have encouraged the radical restructuring of post-socialist cities. From the outset, the intention is to reflect upon understandings of the role played by individuals

described elsewhere as 'Masters of the Universe', or the 'Transnational Capitalist Class' (TCC), by studying the everyday lives, practices and spatialities of TNPs working in Prague. This not only enables a high resolution reading of how these individuals' place making, and space producing, practices serve to transform cities materially, but also enables an examination of the processes that operate within the realm of 'the everyday' that contribute to the production of landscapes of exclusion. This approach has enabled a rethinking of how everyday practices and spatialities influence the geographies of the city, and in turn how such practices contribute to socio-spatial exclusion. Furthermore, the framework employed within this thesis has sought to critique the rather singular understanding of TNPs present in the literature, arguing instead that highly skilled transnational migrants living and working outside of global economic centres of 'command and control' such as London and New York, are nonetheless important in the formation of exclusionary urban spaces. This argument is developed through an examination of the everyday practices of such individuals. Such practices, I argue, are made up of articulations of different 'tactics' and 'strategies' enabling these individuals to 'get by' and 'survive' in surroundings they often construct as being foreign and alien, through which they contribute to the production of exclusionary urban spaces. Additionally, this focus enables an engagement with the complex power relations in which these individuals are embroiled, enabling a further understanding of the relationality and contingency of power that governs, and enables, the everyday practices of TNPs.

This chapter serves to set out the context for the thesis, examining the role of Prague within the 'global space of flows' (Castells 2000) by positioning the city within suggested hierarchies of 'global' and 'world' cities. Following on from this, is a discussion of the literature relating to TNPs in global cities (Beaverstock 1996a; 1996b; 2002), outlining the ways in which this thesis will critique some of the assumptions present within this literature. The remainder of the chapter serves to outline the research questions that structure the thesis, as well as providing a chapter by chapter outline of the arguments and how each of the chapters are linked together.

1.2. PRAGUE AND THE GLOBAL CITIES NETWORK.

Over the last two decades, a significant body of literature has developed within the social sciences concerned with understanding the role of urban areas within an increasingly 'global' economy. Various referred to as world cities (Friedmann 1986; Friedmann et al 1995) and global cities (Beaverstock 2002; Sassen 1991, 2001a), the primary urban areas have been seen as being central to processes of economic internationalisation, the command and control of the global economy, and as being the destinations for migration flows and key sites of social transformation. Whilst a productive corpus of work has been devoted to such processes in cities in the 'Western' world, very little research has been conducted on such processes in Eastern Central Europe (ECE) or the Former Soviet Union (FSU). Notable exceptions include work on Moscow (Badyina and Golubchikov 2005; Brade and Rudolph 2004; Gritsai 2004), Prague (Sýkora 1994, 1995, 1996, 1999a, 1999b, 2003) and Berlin (Cochrane 2006; Cochrane and Jonas 1999; Cochrane and Passmore 2001). Additionally, there is also a paucity of research relating to the transformation of everyday life in post-socialist cities, though again with several notable recent exceptions (Smith 2007; Smith and Rochovská 2007; Smith and Stenning 2006; Stenning 2005; Williams and Round 2007a). This thesis then, sits at the intersection of these two bodies of work, serving to contribute to both emergent literatures concerning the 'globalisation' of post-socialist cities, and the transformations to everyday life that such processes have stimulated. By examining the everyday lives of TNPs, this thesis seeks to complement existing literature focused upon everyday life in the post-socialist city.

In order to position the research presented here, it is necessary to situate the city of Prague, Czech Republic (see Figures 1.1 and 4.2), within current debates regarding the global cities network, in order that both the choice of case study site can be justified, and the research questions can be located by highlighting current lacunae within the contemporary literature on global cities. In order to locate Prague within both a European and global network, it is important therefore briefly to examine how networks of global cities have been studied, and whereabouts Prague and other major cities in ECE and the FSU are located within these analyses.

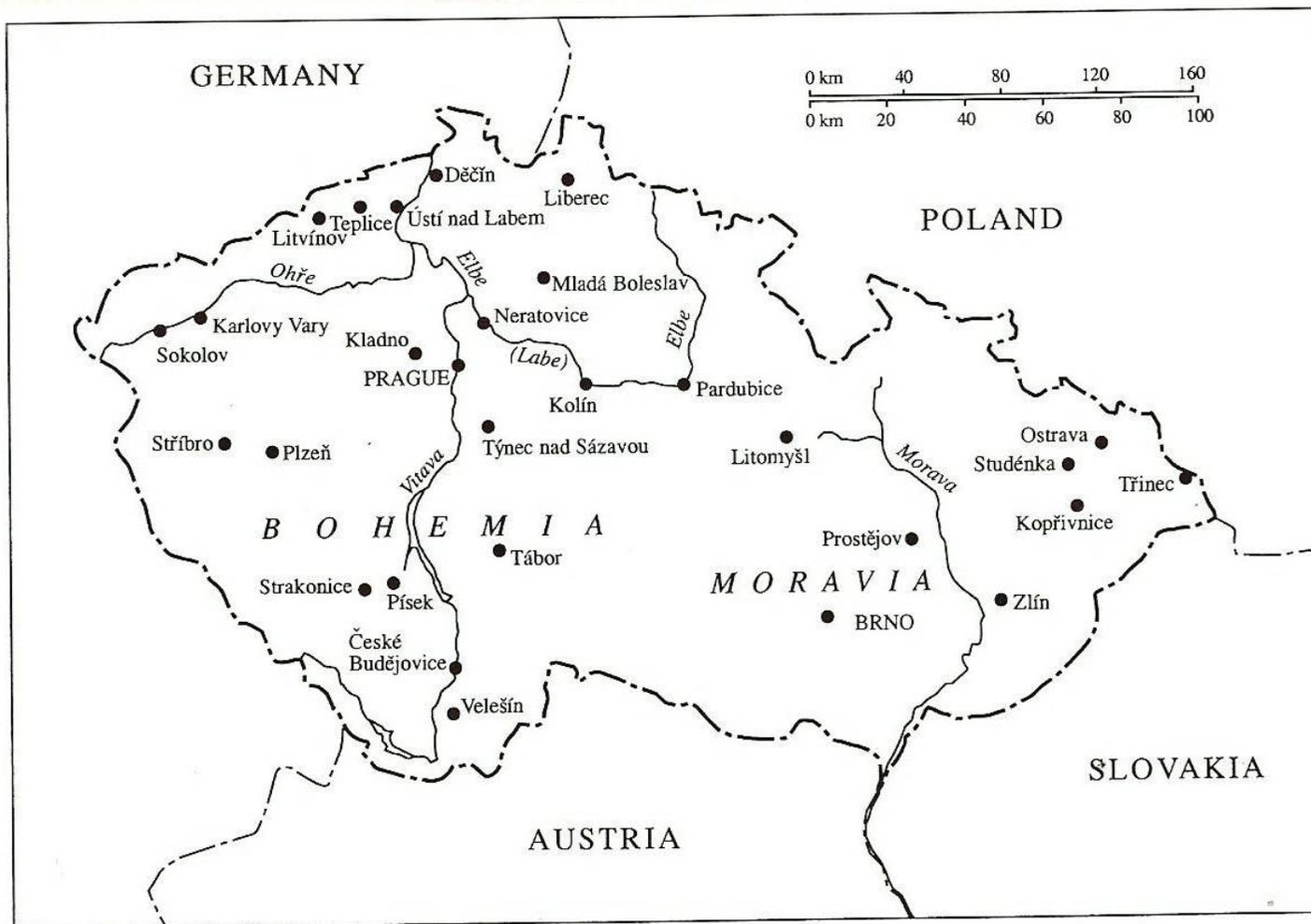


Figure 1.1. Map of the Czech Republic.

Following on from this discussion will be an introductory overview of the central tenets of the global cities thesis that will explain how the research objectives were formulated in light of various lacunae within the existing research. The third section will focus explicitly upon the research questions, further justifying the choice of research focus, whilst the chapter will conclude by providing an outline of the thesis structure.

Drawing upon previous research into world, and latterly *global* cities¹, Beaverstock et al (1999) develop a roster of world cities, based upon Sassen's (1991: 126) definition of global cities as being "post-industrial production sites" where corporate and financial innovations have been integral to the remaking of the global economy. By measuring a city's "global service capacity" (Beaverstock et al 1999: 450), it is suggested that a broad hierarchy of world cities can be established based upon the presence of significant offices of major multi-national corporations in; (i) accountancy, (ii) advertising, (iii) banking and, (iv) legal services. The intention of this inventory is to move into the grey area of cities that have previously been discounted or afforded only a minor role in previous research, adding much to Sassen's (1991) important, but rather narrow, focus upon London, New York and Tokyo. Each city included in the study was assigned a number for each of the four producer service sectors included based upon whether a city was afforded prime status (a score of three), major status (a score of two) or minor status (a score of one). These scores were then added together to produce an index of 'worldcity-ness', on a scale of one to twelve. The results of Beaverstock et al's (1999) analysis are presented overleaf (Table 1.1), and demonstrate the position of post-socialist cities within this hierarchy.

Several cities from ECE and the FSU are included in the inventory. Moscow is categorised as the most 'global', followed closely by Prague, Warsaw, Berlin and Budapest, with Almaty, Bratislava, Bucharest, Tashkent and St Petersburg, lower down within the hierarchy.

¹ See Cohen (1981), Friedmann (1986), Friedmann and Wolff (1982), Hall (1966), Hymer (1971), Llewelyn-Davies (1996), Reed (1981), Sassen (1991, 2000, 2001a, 2001b) and Sassen-Koob and Smith (1984).

Table 1.1. The GaWC Inventory of World Cities. Cities are ordered in terms of world city-ness with values ranging from 1 to 12.

<p>A. Alpha World Cities. 12: London, Paris, New York, Tokyo. 10: Chicago, Frankfurt, Hong Kong, Los Angeles, Milan, Singapore.</p> <p>B. Beta World Cities. 9: San Francisco, Sydney, Toronto, Zurich. 8: Brussels, Madrid, Mexico City, Sao Paulo. 7: <u>Moscow</u>, Seoul.</p> <p>C. Gamma World Cities. 6: Amsterdam, Boston, Caracas, Dallas, Dusseldorf, Geneva, Houston, Jakarta, Johannesburg, Melbourne, Osaka, <u>Prague</u>, Santiago, Taipei, Washington. 5: Bangkok, Beijing, Rome, Stockholm, <u>Warsaw</u>. 4: Atlanta, Barcelona, <u>Berlin</u>, Buenos Aires, <u>Budapest</u>, Copenhagen, Hamburg, Istanbul, Kuala Lumpur, Manila, Miami, Minneapolis, Montreal, Munich, Shanghai.</p> <p>D. Evidence of World City Formation. <i>Di. Relatively Strong Evidence.</i> 3: Athens, Auckland, Dublin, Helsinki, Luxembourg, Lyon, Mumbai, New Delhi, Philadelphia, Rio de Janeiro, Tel Aviv, Vienna. <i>Dii. Some Evidence.</i> 2: Abu Dhabi, <u>Almaty</u>, Birmingham, Bogota, <u>Bratislava</u>, Brisbane, <u>Bucharest</u>, Cairo, Cleveland, Cologne, Detroit, Dubai, Ho Chi Minh City, <u>Kiev</u>, Lima, Lisbon, Manchester, Montevideo, Oslo, Rotterdam, Riyadh, Seattle, Stuttgart, The Hague, Vancouver. <i>Diii. Minimal Evidence.</i> 1: Adelaide, Antwerp, Aarhus, Baltimore, Bangalore, Bologna, Brasilia, Calgary, Cape Town, Colombo, Columbus, Dresden, Edinburgh, Genoa, Glasgow, Gothenburg, Guangzhou, Hanoi, Kansas City, Leeds, Lille, Marseille, Richmond, <u>St Petersburg</u>, <u>Tashkent</u>, Tehran, Tijuana, Turin, Utrecht, Wellington.</p> <p>Source: Beaverstock et al (1999)</p>
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Prague is in fact seen as being the most ‘global’ of all the cities in ECE based on the criteria of the conceptual framework employed. Whilst there are significant conceptual and practical problems associated with assigning cities to specific categories², it serves to situate the city of Prague as being at least a major *regional* centre for the producer service sector, and locates the research presented here within wider debates regarding global city formation, Castells’

² Aside from the theoretical problems instigated by categorisation, no reference is made to other indicators of global city formation such as, (i) migration flows, (ii) social polarisation, (iii) the presence and sustenance of transnational elite communities or, (iv) issues relating to cultural internationalisation. Additionally, the hierarchy presented in 2000 is likely to have developed somewhat, with the largest Chinese cities especially entering into the upper echelons.

(2000) conceptualisation of the space of flows and with Sassen's (2001a) research on London, New York and Tokyo. Whilst Prague is seen in this context as the most important city in ECE, it is still considered within much of the literature as an emergent post-socialist city that has only recently risen to regional prominence following the collapse of state socialism. The rationale for choosing Prague as a case study site was therefore based both upon the emergence of cities in the region into a European and global network of cities, as well as the impacts that rapid economic, social, cultural and political transformations have had upon such spaces. Prague therefore presented an appropriate case-study site to conduct research into the processes and impacts of (i) global city formation, (ii) post-socialist urban transformation(s) and, (iii) to examine the role of TNPs in cities outside the London, New York and Tokyo triumvirate. The prominence of Prague regionally is also demonstrated in European Union (EU) data relating to GDP per capita for NUTS II regions, the top 15 of which are presented in Table 1.2.

Table 1.2. GDP per capita for the top 15 NUTS II regions in the EU, 2004.

GDP per Capita¹	NUTS II Region²	Country
302.9	Inner London	UK
251	Luxembourg	Luxembourg
248.3	Brussels	Belgium
195.2	Hamburg	Germany
179.7	Vienna	Austria
174.5	Île de France	France
173.8	Berks, Bucks and Oxon.	UK
169.3	Oberbayern	Germany
165.7	Stockholm	Sweden
157.7	Utrecht	Netherlands
157.3	Darmstadt	Germany
<u>157.1</u>	<u>Prague</u>	<u>Czech Republic</u>
156.5	Southern and Eastern Eire	Ireland
155.8	Bremen	Germany
153.9	North Eastern Scotland	UK

¹GDP per capita data in Purchasing Power Standards (PPS) that eliminates price differences between countries. The data presented here is for 2004 and takes the form of an index whereby the EU-27 average for 2004 = 100. (Source: Eurostat 2007).
²n=300.

Prague is the only NUTS II region from the EU accession countries to be included in the top 15 regions, and in fact the nearest region to Prague (from the accession countries) in terms of GDP per capita is the Bratislava city region of Slovakia, with a GDP per capita index of 129.3, therefore ranked in 41st position overall. Whilst these data demonstrate Prague's relative economic prosperity within the EU, the role of Prague can be seen as being of greater importance when only the NUTS II regions for the new accession countries are taken into account (Table 1.3). In fact, the difference between Prague and the other EU accession regions is significant, with only three having a GDP per capita above the EU-27 average. Both the data on world city status and that on GDP points to the fact that Prague is well connected into international flows of capital (albeit to nowhere near the same extent as London or New York) and boasts a relatively successful economic base in terms of GDP per capita, which further strengthens the city's inclusion as a case study site.

Table 1.3. GDP per capita for the top 15 NUTS II regions in the new accession countries, 2004.

GDP per Capita ^{1,2}	NUTS II Region ³	Country
<u>157.1</u>	<u>Prague</u>	<u>Czech Republic</u>
129.3	Bratislava	Slovakia
101.6	Közép-Magyarország	Hungary
91.4	Cyprus*	Cyprus
83.3	Slovenia*	Slovenia
76.8	Mazowieckie	Poland
74.4	Malta*	Malta
<u>69.9</u>	<u>Středni Čechy</u>	<u>Czech Republic</u>
<u>69.6</u>	<u>Jihozápad</u>	<u>Czech Republic</u>
<u>67.4</u>	<u>Jihovýchod</u>	<u>Czech Republic</u>
66.8	Nyugat-Dunántúl	Hungary
64.5	Bucharest	Romania
<u>63.7</u>	<u>Severovýchod</u>	<u>Czech Republic</u>
62.1	Sjeverozapadna Hrvatska	Croatia
<u>61.1</u>	<u>Moravskoslezsko</u>	<u>Czech Republic</u>

¹ GDP per capita data in PPS that eliminates price differences between countries. The data presented here is for 2004 and takes the form of an index whereby the EU-27 average for 2004 = 100. (Source: Eurostat, 2007).
² Mean = 52.48
³ n=58.
*These countries only consist of one NUTS II region.

The next section serves to delineate the central tenets of the 'global city' thesis, and outlines various gaps in our understanding to which this thesis contributes. This then leads into a discussion of the research objectives.

1.3. GLOBAL CITIES, TRANSNATIONAL PROFESSIONALS AND POST-SOCIALISM.

Having positioned Prague within both the hierarchical network of global cities, as well as within the context of economic prosperity of EU regions³, this section briefly outlines the functional characteristics of global or world cities, in order to highlight the lacunae within the contemporary literature that have given rise to the research questions and objectives around which this thesis is based. Whilst there has been a recent trend within the global cities literature to eschew functional definitions of what global cities actually *are*⁴, it is helpful to outline the central tenets within the work of Jon Friedmann and Saskia Sassen who have been at the forefront of debates over the last 25 years concerning global cities.

Friedmann and Wolff's (1982) seminal essay concerning the formation of world cities, focused upon how the formation of such cities was intimately linked to changes to global financial governance regimes within the post-war and post Breton-Woods climate of economic and financial internationalisation. By viewing the internationalisation of capital as central to the formation of world cities, Friedmann and Wolff recognised the growing importance of world cities in global capital flows as well as recognising that in an increasingly globalised economy, certain cities will gain command and control functions over this economy (ibid: 319). Furthermore they identified the role of industrial restructuring in such cities, moving away from manufacturing and secondary industry, toward an economic base centred on business and professional services (banking, accountancy, finance and legal services). Concomitant with such an economic transformation is, they argue, an increase in the number of elite professionals working within this sector. Parallel to a significant growth in the producer service sector and its highly paid, professional workforce, is the

³ Details regarding the historical development of Prague and particular issues relating to post-socialist transformation can be found in Chapter 4.

⁴ Such critiques include work by Jones (2002), Smith, R.G. (2003a; 2003b) and Smith and Doel (2007).

growth of a service sector geared toward servicing this new group of urban elites, consisting of restaurants, luxury retail outlets, real estate markets and entertainment. Additionally, they argue that a large government services sector is necessary to maintain the functions of the world city, and that alongside the shift toward the service sector, an informal economic sector arises offering employees low job security and only the bare means of survival (ibid: 320-321). Such processes of economic restructuring are particularly prevalent in ECE, and indeed Prague, where a significant decline in manufacturing industry, and the parallel creation *ab initio* in 1989 of a private banking and producer services sector (see Chapter 4) has occurred, significantly transforming the economic base of the city.

The new service economy, whilst creating a newly dominant class of elites, is seen to simultaneously create a new urban underclass that services this newly dominant group of individuals (ibid). Friedmann and Wolff also allude to the fact as well as being divided and polarised along class divisions, society is also segmented along ethnic and racial lines, and these divisions are played out in a newly fragmented set of urban geographies, contributing to what Castells has termed 'the dual city' (Castells 1989). Sassen (1991, 2001a) sought to test empirically the linkages between economic transformation and social/class polarisation using London, New York and Tokyo as case studies without elaborating on whether or not these claims were extendable outside of these case study sites.

This thesis is concerned with these processes of economic and social restructuring, by conceptually and practically unpacking the role of TNPs working outside of 'Alpha Level' world cities (see Table 1.1.), in the production of exclusionary and elitist spaces that are viewed as indicative of both dual city formation and social polarisation. Whilst much has been intimated by the work of Sassen and Friedmann, there exists a significant gap within the contemporary literature concerned with the processes through which Sassen and Friedmann's elites appropriate certain spaces of the world city and (re)produce them, and indeed whether or not similar groups of elites exist outside of the key 'command and control centres' of the global economy, such as London and New York. Analyses within the literature often touch upon the

spatial *products* and *traces* of elites, such as gentrified housing (Lees 2000; Ley 1996; Smith 1996) or the rise of gated communities, without studying in adequate depth the specific small-scale processes through which these spaces are produced. Understanding such processes, I argue, is vital in exploring how space is produced through everyday practices. Whilst several authors have studied the role of TNPs as the dominant social group in the capitalist world order (Sklair 2001) and the role of TNPs in (re)producing knowledge within the global service economy (Beaverstock 1996a, 1996b, 2002, 2005; Beaverstock and Boardwell 2000), the actual urban spatialities of such individuals have received little attention within the literature. Such a re-focusing is necessary in understanding both how elitist and/or exclusionary spaces are produced, as well as calling into question the ways in which such individuals are positioned within the literature as 'elites'. Therefore this thesis aims to examine the exclusionary, elitist spaces produced by TNPs, as well as the processes and practices through which such spaces are produced within a post-socialist global city, and to develop an understanding of the relational forms of power that are involved in such processes.

In confronting such a task, the intention is to adopt broadly what Michael Peter Smith (2001: 6) has described as an approach that, "...concretely connects macro-economic and geopolitical transformations to the micro-networks of social action that people create, move in, and act upon in their daily lives". The rationale for such a framework stems from a desire to engage with a more grounded and 'bottom-up' approach to post-socialist urban transformation that proceeds through investigations of the everyday practices and spatialities that individuals and groups are embroiled within and serve to produce. Whilst the realm of everyday practice(s) and geographies has recently received some attention within human geography (Holloway and Hubbard 2001; Smith and Rochovská 2007; Stenning 2005) and cultural studies (Highmore 2002a, 2002b, 2006), I argue it is central to conducting research on global cities, particularly to an enable an unraveling of the complex micro-geographies of socio-spatial exclusion. Despite the relative paucity of empirical research relating to everyday life, over the last 15 years ago there has been a significant theoretical (re)engagement with the philosophies of everyday life. Drawing largely upon the work of Henri Lefebvre (particularly 1981, 1988, 1991a, 1991b, 2000, 2002,

2004), Michel de Certeau (1984, 1997; de Certeau et al 1998) and Pierre Bourdieu (1977, 1979, 1985a, 1985b, 1986), such theoretical engagements have focused upon interpretation, rather than through the interrogation of some of the theories presented by these two thinkers. Therefore a further purpose of this thesis is to engage with the theories of the everyday and of practice, in order to re-evaluate the potentials of a practice centred human geography in deepening our understandings of urban geography.

The reasoning behind locating this research within a post-socialist context is strongly related to the nature, and speed, of the transformative processes that have occurred since the fall of communism since 1989. The rapid insertion of post-socialist states and cities into the world, or at least *European*, system, has not only encouraged macro-economic transformations, but also a radical restructuring of everyday life as a result of these transformations (Smith and Rochovská 2007; Stenning 2005). Furthermore, the post-socialist city, I argue, provides a rich environment in which to study how macro-economic reforms hinging upon privatisation, marketisation and liberalisation (Sachs 1993) have (re)created urban space, and are contributing to the formation of a new set of global cities. Indeed, it is possible to perform thoroughgoing analyses of the processes by which such cities are remade under conditions of neo-liberal capitalism. The next section outlines the main research questions of the thesis, and the substantive contribution to knowledge that the thesis provides.

1.4. RESEARCH QUESTIONS.

Whilst there has been a shift towards studies of everyday life in both human geography and cultural studies, there has been little critical research conducted on the everyday in terms of the production of space and the micro-geographies of social exclusion(s) in post-socialist cities. By examining how exclusionary urban space(s) are (re)produced through everyday practices, a more nuanced and grounded understanding of the role of TNPs in emerging global cities is formed by moving away from dominant discourses focusing upon hyper-mobility and spatial mastery. This I argue, is of significant importance to understanding contemporary urbanism. Placing the focus upon the production of exclusionary spaces, the intention is to make empirical and theoretical connections between

the presence of TNPs and the spaces that they produce, adding much needed depth to our understanding of how contemporary post-socialist cities are produced and spatially fragmented, by examining the everyday practices and spatialities of these individuals.

Indeed, whilst various attempts have been made to map socio-spatial differentiation through income and professional classification (see Arvidson 2000), I argue that an examination of the practices of individuals and groups in the production of exclusionary urban spaces is necessary in understanding the ways in which socio-spatial inequalities are produced, without resorting to essentialising financial wealth. Such a focus is important, as there is a dearth of research concerning the way that everyday practices contribute toward the production of *exclusionary* spaces. Additionally, by focusing the research upon TNPs, the intention is to break down the geographies of a 'group' or 'class' of individuals who are often assumed to exist as a homogenous section of society, enjoying a hyper-mobile existence and relatively un-problematic everyday life (Castells 2000). Indeed, a critique of the all encompassing term 'elite' can be developed based upon the everyday practices and spatialities of individuals. As I have previously outlined, the nature of the research informants included within this study reflect the role of Prague as an 'emerging' or, to use the terminology of Beaverstock et al (1999), 'Gamma Level' global city that does not play host to the global headquarters of multi-national companies, although Prague does host a wide variety of MNCs as part of an internationalised and dynamic service economy. This means that individuals interviewed are unlikely to share the decision making and financial wealth of TNPs working in 'Alpha Level' cities such as London and New York. By using the realm of the everyday as a framework of study, it is possible to examine the actually existing geographies of these individuals and to ascertain the merits of positioning them as a far reaching and geographically extensive group of highly mobile elites. In other words, gaining an understanding of the complexities of their everyday day lives repositions how we understand these individuals, and how exclusionary and elitist spaces are produced through an assemblage of everyday practices.

In addition to the merits of taking a bottom up approach in studying TNPs in an emerging global city, such an approach also enables an engagement with the

relationalities of power, critiquing notions implicit within the literature that power is somehow centred, possessed and wielded by power-ful elites. Instead the argument throughout will be that power should be seen as being more diffuse, working through indirect techniques of constraint and enablement (see Allen 2004) that are intimately bound up within, and practiced through, the everyday lives of individuals. This, I argue, is relevant if we are to gain a fuller understanding of how exclusionary spaces are constructed within the post-socialist city. These concerns have led to the formation of the four key research questions, outlined below:

- 1. In what ways do transnational professionals contribute to the production of exclusionary spaces in the city of Prague?*
- 2. What are the processes through which these spaces are (re)produced?*
- 3. By critically examining the everyday lives of TNPs, what evidential base is there for inscribing them with 'elite' status and how can such a critique aid our understanding of social difference in post-socialist cities?*
- 4. By rethinking post-socialist urbanism via the medium of everyday life and everyday practice(s), how can such an approach deepen our understandings of the emergence of social and spatial inequalities within post-socialist cities?*

By engaging with a theoretical literature concerned with what I would term a 'critical studies of the everyday', the intention is to understand how the mundane and often taken-for-granted practices (and spatialities) of TNPs produce exclusionary spaces. By situating the research within a post-socialist context, it has been possible to gain an understanding of those individuals that have been seen to have taken greatest advantage of the processes of industrial and economic restructuring in the region. In answering the four research questions presented above, the thesis focuses upon three different (but interconnected) spheres of everyday life; (i) the production and consumption of housing and real estate, (ii) social networks, and, (iii) consumption practices within Prague. The rationale for focusing upon these three specific, and interconnected, spheres has been to frame everyday practices spatially by focusing upon the particular spaces and places produced through everyday practices. Each of the empirical chapters based upon this framing should be

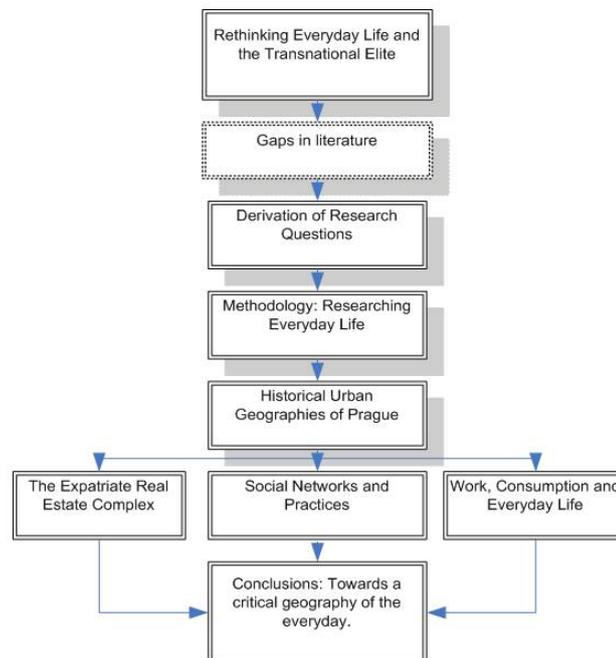
read alongside each other, and whilst conclusions are made at the end of each chapter, the substantive conclusions are drawn together in the final chapter of the thesis.

1.5. MAPPING OUT THE THESIS STRUCTURE.

This thesis aims to examine the micro-geographies of social exclusion that expatriate professionals are embroiled within, subjected to, and serve to promulgate. By studying the everyday lives of these individuals, it is intended that a more 'grounded' and 'bottom up' understanding of how certain urban spaces are produced through everyday practices is developed. Implicit within such a discussion is an ongoing critique of how such individuals are normatively scripted as being part of a global elite and are therefore seen as 'elitist'. By focusing upon the everyday lives and geographies of these supposed 'elites', it is possible to begin to rethink the conceptual relevance of such classifications, and by doing so, suggest that TNPs are not in the first instance automatically a part of a homogenous 'global elite' but rather a more fluid and differentiated group of professionals that differ markedly in particular regional and national contexts. By situating this research within the ongoing processes of socio-economic transformation within the major urban areas of ECE, and recent research relating to the everyday lives of urban residents of post-socialist states (see Smith 2007; Stenning 2005), further conclusions can be drawn relating to both the micro-geographies and the impacts that they have upon urban space. Figure 1.2 (overleaf) outlines the structure of the thesis graphically.

In Chapter 2, I examine the key theoretical literatures that have served to inform the research presented here. By focusing upon theoretical work concerned with everyday life, the intention is to develop an understanding of the micro-geographies of inclusion and exclusion that transnational elites are embroiled within and serve (at least in part) to promulgate. This will further underline the relevance of the everyday as a realm of enquiry, and set up the following empirical chapters within the existing literature(s).

Figure 1.2. Mapping Out the Thesis Structure



The chapter begins by situating the thesis within contemporary debates concerning transnational elites and global cities, engaging primarily with the work of Sassen, Beaverstock and Sklair. By positioning the thesis within debates concerning notions of elitism, globalisation and transnationalism, a (re)engagement with the works of Henri Lefebvre, Michel de Certeau and Pierre Bourdieu is made that calls for a more critical study of the geographies of everyday life. The discussion of Lefebvre's contribution to the thesis is made by focusing upon (i) theories of alienation, (ii) the theory of moments, (iii) rhythmanalysis and (iv) the production of space. Following on from this is a discussion of several elements of the work of Michel de Certeau is developed, focusing particularly upon the ways in which everyday life is *practised*. The chapter continues by examining the ways in which power is theorised throughout the thesis, arguing, as has been suggested above, that it should be seen as more immanent, diffuse and 'un-centred' than is often the case within literature on TNPs. This section is combined with a review of the work of Pierre Bourdieu, particularly his research concerning the genesis of groups and the role of multiple forms of capital in his re-thinking of social class that are further elaborated in Chapters 5, 6 and 7.

Chapter 3 outlines the methodology employed in the research, and how a set of 'everyday' geographies of TNPs in Prague were produced through the research. Whilst there have been a number of debates within human geography concerned with rethinking the 'cultural' and the 'economic', and indeed the methodological considerations that have arisen concomitantly, there has been little reflection as to how methodologies are implemented, practiced and transformed in the field. First, I outline the key methodological debates within the discipline, and suggest that by refiguring the research process as consisting of a series of strategic plans and aims, as well as a series of transformatory tactical encounters, a more flexible methodological approach can be taken. Secondly, the key research methodologies are discussed, focusing upon (i) in-depth semi-structured interviews, (ii) in-situ urban ethnography and (iii) secondary data analysis.

Chapter 4 provides a discussion of the changing social and economic geographies of Prague since 1918, focusing upon the transition *to* state socialism in 1948 and the transition *from* socialism in 1989. Specific attention is given to the diverse transformations that have occurred within the city since 1989. By examining the contemporary transformations to the city in light of previous transitions, the chapter provides a contextual background for Chapters 5, 6 and 7. Firstly the chapter deals with the geographies of Prague between 1918 and 1948, focusing mainly on the socio-spatial structure of the city. Secondly, the chapter engages with the geographies of state socialist Prague, between the years of 1948 and 1989, examining the impacts that central planning had upon Prague's urban form and societal structure. Finally, the chapter engages with the changes and transformations that have occurred post-1989, with specific focus placed upon economic restructuring, socio-spatial differentiation and the discourses of globalisation that have situated Prague as an emergent global city.

Chapter 5 brings together a variety of textual and interview material in an examination of the role played by TNPs in Prague's residential real estate sector. The chapter focuses upon both the production and consumption of real estate spaces drawing both upon the experiences of residents, as well as the

role played by TNPs working within the residential real estate sector. First, the chapter outlines some of the transformations that have affected the housing market in Prague since 1989, primarily (i) restitution, (ii) (re)privatisation and, (iii) tenure changes, expanding upon the discussion of Prague's historical transformation presented in Chapter 4. Second, a discussion of how real estate markets are produced within the city is provided, centring upon three case study companies. This approach allows a significant amount of depth to be built into an institutional and networked analysis of the potentially exclusionary practices that such companies are involved within. Combining an examination of the role of TNPs in the production of such spaces with an analysis of the ways in which TNPs consume and experience such spaces in their everyday lives, allows further conclusions to be drawn regarding the relationality of space, scale and power within a post-socialist context. Finally, the experiences of residential consumers are examined in some detail, again through a number of individual case studies. The purpose of this is to discover how the purportedly elitist residential preferences of TNPs are played out on the ground and understand the role of multiple forms of capital in governing housing choices and trajectories.

Chapter 6 draws largely upon interview material to examine the role played by personal networks in producing narratives and spaces of exclusion within the city, further developing the engagement with Pierre Bourdieu presented in Chapter 5. Additionally, by re-interpreting the various literatures concerning embeddedness and networks, the exclusionary and temporal aspects of social networks are examined. In drawing out how the social practices, networks and spaces of individuals transform and mutate over time, it is possible to begin to understand some of the complexities inherent in ascribing such individuals and groups as being 'elitist', as well as making linkages between different forms of social network and the different spaces produced and appropriated by such network forms. Additionally, the nature of power in the production of exclusionary spaces through everyday practices is explored, suggesting that notions of a singular and centred form of power are fallacious and somewhat simplistic, arguing instead that within the confines of this research power should be viewed as being diffuse and relational.

Chapter 7 develops the analysis of everyday life constructed in Chapter 6, by focusing upon everyday consumption practices. Firstly, the rhythms and time-spaces of everyday life are discussed, specifically in terms of the repetition and claustrophobia that certain daily time-space rhythms serve to foster. Secondly, an examination of the consumption practices of the TNPs interviewed is undertaken, the aim of which is to unpick what precisely drives such practices and whether or not they can be seen as evidence as being elitist. By arguing that certain practices are not solely related to the possession of high levels of financial capital, it is demonstrated that consumption practices and the related production of consumption *spaces* are more complex than often imagined. By understanding that everyday practices and their role in the production of space are complex and not readily open to abstraction, it is possible to (re)construct the role played by TNPs in the production of exclusionary landscapes and to examine the nature of power underlying these processes.

Chapter 8 concludes the thesis, making some general theoretical conclusions, before drawing together the analysis to address each of the research objectives. Additionally, I review the limitations of the thesis and outline how future research could effectively build upon that presented here. The following chapter provides the theoretical framing for the empirical material presented in Chapters 4, 5 and 6, focusing specifically upon the theoretical and conceptual relevance of the everyday in economic and urban geography.

CHAPTER 2

TRANSNATIONAL PROFESSIONALS IN PRAGUE: SPACE, POWER AND EVERYDAY LIFE.

The new professionals of finance are members of a cross-border culture that is in many ways embedded in a global network of 'local' places...

Sassen (2001a: 188)

Practice does not come after the emplacement of the terms and their relations, but actively participates in the drawing of the lines.

Deleuze and Guattari (2003: 203)

2.1. INTRODUCTION

This chapter critically engages with a number of related literatures that form the theoretical basis for the empirical research presented in Chapters 5, 6 and 7. Specifically, the chapter serves as an extended critique of some of the assumptions inherent within the body of work concerned with delimiting and studying an homogenous transnational elite (TNE) (Beaverstock 2002; Castells 2000; Sassen 2001; Sklair 2001). An engagement with the everyday practices and geographies of TNPs outside of the 'Alpha Level' global cities serves to problematise and decentre many of the assumptions regarding (hyper)mobility and power possessed by these individuals currently present within the literature. Furthermore, the theoretical debates outlined within this chapter serve to inform the ways in which these individuals contribute (through everyday practices) to the formation of segregated and exclusionary spaces within the city, contextualising further the empirical material presented throughout the remainder of the thesis within contemporary debates relating to our understandings of scale, space and power.

By engaging primarily with the work of Henri Lefebvre, Michel de Certeau and Pierre Bourdieu, I will argue that a (re)focusing upon the everyday lives of TNPs⁵ provides a more detailed understanding of how exclusionary urban spaces are produced, but also of how specific groups of individuals form and coalesce, often as a result of an individual's tactics and strategies of survival in what is perceived by the majority of research informants as an 'alien' social and economic landscape. Additionally, by concentrating on everyday life, the further intention is to interrogate the role played by power in the production of such exclusionary spaces, arguing that more relational understandings of power, such as those developed Michel Foucault and Gilles Deleuze, have much to offer in aiding our understandings of how everyday practices produce exclusionary spaces.

This chapter then, will begin by outlining and problematising the concept of the 'transnational elite' (TNE), and situate this discussion within the contemporary global cities literature, arguing that these understandings of elitism are perhaps less relevant when conducting research outside of Alpha level global cities. The chapter discusses how contemporary understandings of elitism, while useful as a set of heuristic devices demonstrating the widening social inequalities prevalent under neoliberal capitalism, ultimately lack the conceptual depth to add to our understanding of notions of difference, heterogeneity and power relations within processes of group formation and socio-spatial exclusion within contemporary cities. Section 2.3 will focus upon the relevance of 'the everyday' in understanding and critiquing notions of elitism by engaging primarily with the work of Henri Lefebvre and Michel de Certeau. Additionally this section will also argue that critical engagements with both power and space are largely absent in most contemporary studies of the everyday, and that by engaging with how power is theorised and realised in everyday situations is central to the production of a more critical account of the everyday. Central to this thesis is developing an understanding of the micro-geographies of social exclusion, and it is vital therefore to engage with contemporary literatures of power, focusing upon the ways in which power and practice are serving to create a differentiated urban landscape. This will enable an exploration of the ways in which power is

⁵ It is useful here to reiterate that throughout this thesis I refer to my research informants as TNPs in order to avoid making prima facie judgements regarding their status as elites.

intimately bound within everyday practices, and how relational understandings are more appropriate than more 'centred' conceptualisations, when studying everyday life and the production of exclusionary spaces.

Section 2.4 will provide a further discussion of the relevance of power in everyday life by engaging with the work of Michel Foucault and Gilles Deleuze arguing for a more relational understanding of power in engaging with the geographies, and practice, of everyday life. This in turn allows a more nuanced understanding of the ways in which everyday practices are constituted by an array of differential power relations, which further enables an examination of the ways in which exclusionary spaces are produced through these practices. Such a project will enable a critique of essentialised versions of power centring upon *financial* wealth, arguing that such understandings are inadequate, and that power is more complex and diffuse than many contemporary renderings allow. Indeed, the argument that financial power and wealth is central to the ways in which elites practice their everyday lives and produce exclusionary spaces is criticised, arguing for an approach recognising the role the non-financial in the production of power relations that allows a fuller understanding of how everyday lives are practiced.

Additionally, this section will argue that the work of sociologist Pierre Bourdieu can contribute to our understandings of the role played by Foucaultian forms of power in the governance of the Self, and the practices of the Self, in everyday life, through an engagement with his research on the genesis of groups and the role played by multiple forms of capital in determining social position. By focusing upon these two core elements of Bourdieu's work, particularly relating to the formation of groups as well as in the production of exclusionary spaces, it is possible to develop contemporary understandings of the relationality of power in everyday life in everyday life (see Allen 2004 and Deleuze 1988). This review will then conclude by bringing the different theoretical approaches discussed together, and outline the ways in which the thesis will speak to these different literatures by drawing upon empirical material collected in the field.

2.2. PROBLEMATISING TRANSNATIONAL ELITES AND THE TRANSNATIONAL CAPITALIST CLASS.

In order to formulate an understanding of the nature of TNPs in Prague, and other Beta and Gamma level world cities, it is vital to engage with the significant corpus of work relating to urban elites (latterly referred to as transnational elites) in global cities as well as the contexts from which such research has emerged. The intention here is to argue that current research makes assumptions regarding the nature of TNPs based upon empirical research taken from only a small number of urban case studies that are seen to have major command and control functions within the global economy. By studying TNPs living and working outside of these major centres, the research reported here suggests that these individuals are markedly different from the elites described in the global cities literature. Saskia Sassen's (2001) seminal work concerning the 'global city' and particularly the research concerning the transformation of urban labour markets and the changing class relations that urban transformations were seen to embody, is a key starting point. Central to Sassen's thesis on social polarisation is the claim that due to the widespread deregulation of financial services during the 1980s (see Leyshon and Thrift, 1997) and significant advances in communication technology (Castells 2000), a rapid tertiarisation of the urban economy was experienced in certain major cities. The growth of the tertiary sector, and the concomitant decline of urban manufacturing industry, in turn led to changes in the income distribution in major urban areas, creating highly paid and highly skilled jobs within the new 'informational economy' (ibid), alongside a large pool of low paid, low skilled employment to service this burgeoning elite. Such polarisation, Sassen goes on to argue, manifests itself spatially through the processes of gentrification, segregation and social exclusion.

Drawing on Bell's (1973) notion that a 'post-industrial' society was emerging, as well as empirical material demonstrating the shift in urban employment towards the service sector, Sassen makes bold claims concerning the causal linkages between low-paid and highly-paid employment in urban areas. Her thesis hinges upon the claim that the growth in low paid unemployment in London, New York and Tokyo has occurred as a direct result of the growth in the number

of high earning professionals. Her argument is that as the class of high earning professionals grows in size, concomitant with the tertiarisation of industry and labour markets, the poorly paid service sector of the economy grows in order to serve the newly expanded group of highly skilled professionals.

This argument has been subject to a number of criticisms, particularly from Chris Hamnett (1994) who argued that what was in fact happening was not a process of polarisation, but a set of processes leading to a *professionalisation* of the workforce in global cities. Contrary to Sassen's view, Hamnett (ibid) argued, using data outlining changes in occupational category for London, that the urban workforce was becoming increasingly 'white-collar'. However, recent research amongst low-paid immigrant workers suggests that Sassen's social polarisation thesis may in fact be a pertinent and appropriate way of understanding the widening social and economic inequalities in urban areas (Evans et al. 2005; May et al. 2006). Indeed this research has demonstrated that whilst global cities and global city regions are often held to be economic success stories⁶, such cities are becoming increasingly socially and spatially polarised.

Sassen's (2001) comments concerning the transnational elite 'community' are echoed in much of Castells' (2000) theorising of the global space of flows. This 'space of flows' is defined as consisting of, "...flows of capital, flows of information, flows of technology, flows of organisational interaction, flows of images, sounds and symbols" (ibid: 442), operating within the network society of late, neoliberal capitalism. He goes on to say that such flows can be defined as being, "...purposeful, repetitive, programmable sequences of exchange and interaction between physically disjointed positions held by social actors in the economic, political and symbolic structures of society" (ibid). Castells continues by outlining three distinct layers of the space of flows. The first layer consists of material support for the space of flows, constituted through circuits of electronic exchange (telecommunications, computer processing, broadcasting systems etc). The second layer is constituted by its nodes and hubs. Castells insists that, "[t]he space of flows is not placeless though its structural logic is" (ibid: 443),

⁶ See for example the data relating to GDP per capita levels in NUTSII regions of the EU for elaboration (Chapter 1).

and this layer of nodes and hubs serves to connect flows in specific places, often in major urban areas. The final 'layer' to the space of flows is of most relevance to us, as it consists of the spatial organisation of the dominant, managerial elites that, "...exercise the directional functions around which such space is articulated" (ibid: 445). The argument resonates with Sassen's claims in that Castells sees the emergence of 'transnational elites' as being the dominant group within society, and that this domination translates itself into a spatial footprint as these elites engage particular practices, have specific interests and unique demands. As he elaborates:

...there is the construction of a (relatively) secluded space across the world along the connecting lines of the space of flows: international hotels, whose decoration, from the design of the room to the colour of the towels, is similar all over the world to create a sense of familiarity with the inner world, while inducing abstraction from the surrounding world.

(ibid: 447)

Whilst much of Sassen's research on the global city was concerned with identifying the growing numbers of urban elites and urban poor, the *transnational* aspect of the lives of many of the elites has only recently been studied in any depth. The work of John Beaverstock in particular has sought to develop these ideas by studying the role of knowledge transfer and micro-personal networks amongst British professionals operating in producer service firms in Singapore (Beaverstock 2002) and New York (Beaverstock 1996a, 1996b). Indeed, Beaverstock (2005) sees an understanding of the *transnational* nature and culture of such elites as central to current debates regarding globalisation and transnationalism more generally, and within what Castells (2000) has termed the 'network society'. By engaging with the work of Ulf Hannerz (1996; 1997), who suggests that these elites are in fact central actors in world/global city formation, due to their international mobility, high levels of education, skills and financial wealth, Beaverstock (2005) claims that, "...managerial elites are sustained in the global system by their intrinsic knowledge, skills and intelligence in the workplace, ability to embed themselves into translocalities (both home and work), and transnational ties between 'here' and 'home'" (ibid: 250). Such a claim, I will argue, rests upon the assumption of an inherent mastery of space and time by these elites, suggesting that they are

able to thrive in different cultural contexts away from home with few difficulties of adjustment. In fact, I argue, this implicit spatio-temporal mastery provides a somewhat simplistic rendering of the situation outside of global economic command and control centres, especially if translated into contexts where Anglophone business culture is less developed. Indeed, this thesis argues that many transnational professionals struggle through everyday life despite the material advantages often cited as evidence of 'elitism'. In fact, in line with David Ley's (2004) analysis that argues that despite these elites being spatially mobile and transnational (see Hamilton 1999 and Mitchell 1993), "...the tyranny of distance and the particularities of place continue to unsettle agents with a putatively global reach" (Ley 2004: 157). In other words, place *matters*, not only as providing a very real friction within the Castellsian space of flows, but also in the sense that elites are constantly bound up in a variety of place-making practices and are subjected to a variety of place based processes and problematics that are integral to the lifeworld and lifestyle of these individuals.

In addition to engaging with the various literatures concerning transnationalism and the city (see amongst others Smith, 2001, Hannerz, 1996), Beaverstock's research has also investigated how various forms of knowledge are produced in spaces of leisure and consumption by examining the role of bars, restaurants and social clubs. This research has sought to demonstrate how various forms of knowledge are produced outside of the workplace, in carefully demarcated and segregated spaces. It adds further credence to the concept that many elites are far from able to seamlessly embed into new and different contexts and cultures.

Another key elite theorist within the social sciences is Leslie Sklair (2001), whose monograph, *The Transnational Capitalist Class*, attempted to ascribe responsibility for the processes of globalisation to a narrow group of key actors operating within the upper echelons of the corporate sector (ibid: 5). Using Domhoff's (1996) theory of class dominance as a starting point and dividing this dominant class into four 'fractions' (the corporate, the state, the technical and the consumerist fraction) Sklair attempts to examine the role of this apparently stratified, though readily categorisable, hegemonic group. I view the very notion of a rigidly determined set of classes existing as problematic, especially when

little empirical evidence is provided indicating the ways that this class functions as a coherent and coordinating group. This is, I posit, due to the fact the everyday lives and experiences of these individuals are not dealt with in any meaningful way. Whilst Sklair notes the power possessed⁷ by individuals at the very top of corporate hierarchy, an engagement with the everyday lives of his informants would have added further evidence to the claims made in his analysis relating to class dominance theory particularly. Indeed, the uncritical invoking of the 'global', of 'world' systems theory and related grand conceptualisations, obstructs analysis of the specific individuals and groups that make up this TCC and, as one reviewer put it, "...how they [the TCC] are reproduced socially and galvanised ideologically and politically" (Henderson 2002: 1112). Whilst Sklair's work provides a fascinating account of the role of transnational corporations in contemporary capitalism, it generally fails in providing an account of the ways in which the TCC can be considered 'elites' outside of the reproduction of global capitalism. Additionally, there is no discussion of the particular spatialities of this group of individuals, or of the ways in which their everyday practices contribute to the production of exclusionary narratives and spaces 'on the ground'.

Sklair (2001) also fails to recognise the role played by foreign businessmen outside of the 'top 500 firms' and outside of the CEO and Director level positions. The role of those individuals who are not necessarily CEOs or company directors is complex, hence why throughout this thesis I avoid wherever possible the normative ascription of elitism⁸. Many such individuals could be said to possess elite characteristics (such as being comparatively wealthy, highly educated and ostensibly culturally astute) but lack almost any *power* over corporate expansion, policy or processes of capitalist hegemony. Therefore, a further issue explored in this thesis will be how *transnational professionals* impact upon urban spaces and economies, and that any notion of there being a rigidly structured and all-powerful transnational capitalist class are highly problematic and should be treated with a suitable degree of caution.

⁷ As can be seen the conceptualisations of power employed by Sklair view power as something that is possessed and wielded by a dominant class, rather than something that is more diffuse and relational, as I argue later in this chapter and throughout the thesis as a whole.

⁸ See further discussion of the reasoning employed here on pages 10 and 11.

When examining the role of particular individuals and groups within the global city, it is important to avoid romanticisation, sloppy theorising and leaden assumptions. Sklair's (2001) work significantly under theorises the concept of process, practice and the differentiated nature of what he calls the TCC, Whilst by disaggregating the TCC into four fractions, this procedure merely serves to create a new set of rigid class 'categories'. Beaverstock's work on the economies and social relationships (and (non)place making practices) of transnational elites is more relevant as it provides important discussions of the scales that such individuals operate within and have the potential to transcend, being at once embedded within a set of translocalities (Smith 2001) and part of a wider globalising corporate 'community'. However, whilst these elites may well be hyper mobile in the physical sense, they are prone to what I would term a place-based friction, to the 'stickiness' of place (Massey 1991), becoming embedded in business and social networks and forming attachments to place and culture that Sklair's work (and to a lesser degree the work of Beaverstock) simply does not account for, or even acknowledge. Indeed, as Ley (2004: 162) points out, "...transnational capitalists, though posing as masters of space may end up as prisoners of geographical difference". This is an important point as it serves to problematise the assumed mastery and Weberian power⁹ that such individuals are seen to possess, in terms of their mobility and their ability to reshape space at their own will. In reality, power geometries are often more complex than the accounts of Sassen, Castells and Sklair, and occasionally Beaverstock, suggest.

Considering these issues reveals a dichotomous relationship between the perceived hyper-mobility of such individuals and the importance of place that enables an individual's personal networks to form and develop, as well as providing a base (albeit temporarily) for the individual to live, work and socialise. In other words, to live out an everyday life and a set of everyday geographies whilst being linked in to a broader set of changing economic and social relations that have the potential of both ending history and geography on the one hand, whilst creating *new* spaces and geographies on the other. In other words, 'elite'

⁹ By Weberian power, I refer to the notion of power as being something that is held or possessed that can be wielded and used to dominate others. For a useful review of this form of power, see Allen (2003). Also see Latour (1986) for a critique of such 'centred' conceptualisations of power.

locations can be seen to be always mediated by place in a relational manner, further indicating why an engagement with the relationality of power is important in the context of this research. This potentially creative/destructive tension between mobility and fixity is just one of a number of tensions that exist within the everyday lives of TNPs, and provides a particularly useful entry point for the thesis by arguing that despite the apparent mobility of TNPs, notions of place, and specifically the 'stickiness' of place, play a central role in their everyday lives.

In addition to the problems with theorising and conceptualising TNPs discussed above, it is pertinent to point out that, despite a number of in-depth studies of TNPs in established global cities (New York, Singapore and Hong Kong for example), the literature has not dealt at all with the role of TNPs in globalising cities outside of the top tiers of the 'world city hierarchy' (Beaverstock and Boardwell 2000; Beaverstock et al. 2000a; Beaverstock et al. 2000b). It is important, whilst acknowledging that cities such as New York and London are indeed the powerhouses of the informational and financialised economy, to recognise that smaller cities acting as 'regional gateways' to foreign investment are also significant within the global cities network. Additionally, the role of TNPs in cities and countries that have experienced significant political economic transformation(s), is of importance, both in terms of studying the neoliberalisation that such individuals are seen to embody and personify in the wider global cities literature, but also the degree to which such individuals are constructed as being possessors of significant power, deployed, as the existing literature suggests, in an 'elitist' manner. The next section argues that in order to fully understand the processes and micro-foundations of social exclusion that TNPs are embroiled within, it is necessary to understand the everyday lives and geographies of these individuals. Such perspectives, it is argued, serve to develop an understanding of how TNPs live their lives within urban areas seen as potentially hostile, positing that many of the apparently elitist place-making practices discussed by Sassen (2001) and others are in fact the outcomes of attempts to survive and 'make do' away from home. Central to such an undertaking is an understanding of the everyday and of everyday *life* in developing an informed critique of the current literature concerning TNPs in

global cities outside of London, New York, Tokyo and Singapore (Beaverstock 2005 and Sassen 2001).

Before entering into a discussion of the ways in which the various lacunae and problematic assumptions outlined above can be addressed theoretically and practically, it is vital to attempt a positioning of my own research informants within the existing literature on TNEs and the TCC. The intention here is not to attempt a detailed summary of the informants in terms of age, gender, nationality and other descriptors, but rather to draw out the similarities, and then differences, with individuals studied within current geographical and sociological literature (Beaverstock 2005; Sklair 2001). Firstly, the informants almost exclusively work within what is best described as the producer services sector, in management consultancy, banking, accountancy, creative media, advertising, human resources, financial intermediation and real estate. This draws a series of similarities with the literature, which tends to focus on TNPs working within this sector. Secondly, the vast majority of informants could be viewed as being transnational in the sense that they were living and working in an overseas context, having moved to Prague for a variety of reasons, often being engaged in transnational practices through communicating and travelling to see friends and family at home. Finally, the majority of informants could all be classed as being relatively wealthy, despite earning less than their equivalents in their home country, but in the place specific context of Prague they were earning high wages and possessed comparably high levels of disposable income. However, despite these *prima facie* similarities, the informants actually constituted a highly differentiated group that, as I will argue, is not conducive to being thought of as part of a homogenous and unified class (Sklair 2001) with a putatively 'global' reach or indeed to being normatively ascribed 'elite' status. Whilst the majority of the research informants worked within the producer service sector, they were not all employed by major MNCs. Indeed, whilst a number of informants were employed as partners or regional directors in leading global companies, a high percentage were self-employed, owning and managing producer service firms with regional and national portfolios having moved away from corporate careers in MNCs. The mechanisms behind the departure from corporate life are discussed further in Chapters 5 and 6. Second, despite their relative financial wealth, the discussion that follows

(particularly in Section 2.4) argues that notions of elitism, of dominance and mobility should not necessarily be extended outside of the remit of existing research on TNPs in global economic command and control centres nor their 'dominance' be essentialised in terms of financial wealth. These similarities and differences mean that whilst the findings presented here can inform our understandings of other 'elite' groups (c.f. the 'global elite' of Sassen 2001 and Sklair 2001), they should not be universally and uncritically applied and seen as representative of a homogenous and overarching global elite. The role of Prague as a *regional* rather than *global* hub in the internationalised service economy means that individuals working within the sector have less pronounced command and control functions, wealth and mobility than those in London and New York and therefore some caution should be used when extending the findings presented here. By arguing throughout the thesis for an understanding of capital as being multiple (see Section 2.4) I demonstrate that a more heterogeneous view of TNPs is appropriate, recognising both the positioning of the research informants within global architectures of elites, as well as within more localised and place specific contexts. This renders possible an examination of the complex relations of power that are intimately associated with the everyday lives and practices of these individuals. This approach allows not only a critique of existing understandings of TNPs as being the *possessors* of seemingly limitless power, but also that factors other than material wealth need to be taken into account when studying TNPs.

Therefore, unless where specifically noted, throughout the remainder of this thesis, I continue to refer to my research informants as transnational professionals (TNPs), in order to recognise both the differentiated composition of my own set of research informants as well as the complexities of how notions such as elitism are constructed. The following section will explore the 'missing link' of everyday life and its attendant practices and spatialities, focusing upon contemporary research in cultural studies and economic geography, as well as with two key theorists of 'the everyday', Michel de Certeau and Henri Lefebvre

2.3. THEORISING THE EVERYDAY

...the familiar just because it is familiar is not well known.

(Hegel 1977: 18)

...workers do not only have a life in the workplace, they have a social life, family life, political life; they have experiences outside the domain of labour.

(Lefebvre 1988: 78)

The concept of the everyday as a frame of analysis for contemporary research has received increased attention recently, especially with reference to the transformations to everyday life experienced by residents of the post-socialist states (Hörschelmann 2002; Hörschelmann and van Hoven 2003; Mandel and Humphrey 2002; Round 2006; Smith and Rochovská 2007; Smith and Stenning 2006; Stenning 2003, 2005; Williams and Round 2007a, 2007b, 2007c). Central to this work has been an understanding of how everyday lives and practices are, "...embroiled in the formation of neo-liberal worlds" (Smith and Rochovská 2007: 2) and are, "...bound up with the (re-)creation of rhythms, practices and networks, situated within the legacies of state socialism and pre-socialist periods, which sometimes work with, and sometimes against, neoliberal commodification" (Smith 2007: 216). In other words then, the realm of the everyday, of the mundane and of the taken-for-granted, is where political economic transformations - for example the transformation from state socialism to particular variants of neoliberalism - are constituted by, and domesticated within, the everyday lives of individuals. considering consideration of the impacts of various national and regional policy programs¹⁰ upon urban space and the way in which such policies have altered the conditions of existence of many urban residents, it is possible to gain insights into how individuals negotiate and constitute 'neoliberalism' through everyday practices (ibid). Stenning (2005), for example, has explored the changing experiences of (im)mobility and (in)security amongst residents of Nówka Huta, a district of Krakow, Poland in the context of widespread privatisation and neoliberalisation,

¹⁰ Smith and Rochovská (2007) have examined the implementation of neoliberal tax, pension, welfare and healthcare reform in Slovakia following the election of a centre-right coalition government in 1998. Indeed, these reform strategies were designed to re-brand and market Slovakia as an economic powerhouse, constituting a 'neoliberal paradise under the Tatras'.

whilst stressing that these experiences are nearly always constructed relationally to the experiences of everyday life under state socialism.

Such accounts, I argue, are vital in framing our understanding of how national and regional political economic transformations radically reconfigure the conditions of existence for individuals 'on the ground', creating everyday problems such as lack of access to material resources and certain areas of the city, whilst *at the same time*, according to Smith (2007), serving as creative moments encouraging people to find new ways of living and different and diverse ways of 'making do'. This thesis examines the 'flip-side' of the coin by exploring the everyday geographies of those individuals that are seen to have benefitted from the neoliberal transformations and economic restructuring. As such, a fuller understanding of everyday lives in the post-socialist cities will be formed, complimenting existing research relating to the lives of those, "...eking out an existence...", with material presented here focusing upon those who enjoy the, "...prospect (and reality) of significant wealth and resources" (ibid: 205).

Complementing and inspiring current research examining everyday life under post-socialism, a wide ranging and diverse body of literature has emerged within human geography as part of a wider engagement with what Schatzki (1996) has termed 'the practice turn' in the social sciences. Central to this understanding is that phenomena such as knowledge, meaning, power, language, institutions and historical transformation occur within, and are aspects of, the 'field of practices' (Schatzki et al., 2001: 2). This field of practices as described as being the total nexus of interconnected human practices, consisting of:

...such practices as negotiation practices, political practices, cooking practices, banking practices, recreation practices, religious practices, and educational practices...[A] practice is a "bundle" of activities, that is to say, an organised nexus of actions.

(Schatzki 2002: 70-71)

Through attempts to chart a course between the binary opposition of structuralism and individualism, Schatzki has argued that this 'turn' aims to

situate practices, 'as the site where understanding is ordered and intelligibility articulated' (Schatzki 1996: 100 cited in Smith and Stenning 2006). Indeed, as Smith and Stenning (2006: 192-193) have noted, this provides the basis for both knowing the world through action, but also for understanding the materiality of the world through the creation, reproduction and unfolding of material social relations. The role of everyday practices – the mundane yet crucial actions that reproduce material social relations – are central to critically engaging with the recent literature on TNEs and the TCC outlined above. Indeed, by pursuing a research agenda aimed at unpicking the everyday lives, practices and spatialities of TNPs living and working in Prague, it is possible to explore the ways in which these individuals perform their own practical and spatial negotiations and ways of 'making do'. Despite these being markedly different from those reported by Smith and Rochovská (2007)¹¹, an understanding of these practices is nonetheless important in further comprehending the geographies of the post-socialist global city. The following two sections outline the contributions to understanding everyday life provided by Henri Lefebvre and Michel de Certeau. Through an engagement with these two theorists, it is possible to examine the articulations between practice, space and the everyday, which in turn can be used in conjunction with relational and diagrammatic understandings of power to begin to understand the sheer complexity underlying the production of exclusionary spaces in the post-socialist city.

2.3.1. Dialectics of the Everyday: Henri Lefebvre.

The relevance of Henri Lefebvre's significant canon of research to contemporary human geography has been widely discussed (Elden 2004a, 2004b; Elden et al. 2003; Merrifield 2006; Shields 1999; Soja 1980, 1989), particularly his work concerning the production of the space (Lefebvre 1991), rhythmanalysis (ibid 2004) and everyday life (ibid 2002). This section focuses upon Lefebvre's contribution to these three interlinking fields of study, and examines how such research can be used to critique contemporary research concerning transnational elites outlined in the previous section. For the

¹¹ For example, the experiences of informants included in this research indicate that they are by no means struggling to 'get by' materially and financially, but in fact struggle socially and culturally (See Chapters 5 and 6 for further elaboration).

purposes of this thesis, the focus will be upon *Critique of Everyday Life: Volume II* (2002) and *Rhythmanalysis: Space, Time and Everyday Life* (2004) as well as reference to Lefebvre's seminal work *The Production of Space* (1991). By focusing upon these three core texts, the linkages between how spaces are produced and the importance of everyday day practices in the production of space will be made, focusing upon the role of work and leisure, as well as the complex, syncopated rhythms that are involved within these everyday practices and geographies.

No specific attempt will be made here to categorise the everyday by placing limits upon its conceptual space, as defining a concept, according to Lefebvre (2002: 43) tends to, "...immobilise what it is trying to define, presenting it as timeless and unchangeable". The most succinct conceptualisation was attempted by Lefebvre (1988: 78-80) where he argues that, similar to labour studies prior to the work of Karl Marx, the everyday can be defined by its banality and taken-for-grantedness, but also by its inherent potential for the extraordinary (see Smith and Rochovská 2007). Additionally, Lefebvre cautions us that any conceptualisation of the everyday assumes some form of stasis and rigidity, whereas '*la quotidienne*' refers to the temporality and repetition in everyday life which is drawn out in his posthumously published *Rhythmanalysis* (2004). The term 'everyday' I interpret as having a twofold meaning. First, it consists of the spatial practices performed by individuals within the fields of production (work) and consumption (leisure) that are imbued with a variety of different syncopated rhythms. Second, the everyday is characterised by mundanity and alienation, but also by transformatory moments that can offer hope, possibility and change to an individual's life and the way it is practised. Such a working definition allows us to examine the role of practice that is central to the pursuit and struggle over various forms of capital, but also the role of different practices in producing sets of differentiated and exclusionary urban spaces. Thus, I argue that by studying the everyday lives and geographies of individuals that are scripted as being at the forefront of the neoliberal 'project', we begin at once to develop a more critical understanding of the power relations in which these individuals are embroiled, and therefore interrogate the nature and definition of 'elitism'.

2.3.1.1. *Alienation, Moments and Rhythm.*

Central to Lefebvre's *Critique of Everyday Life: Volume II* (2002) is the concept of alienation, and how the unfettered expansion of capitalistic tendencies into social and cultural worlds has served to alienate individuals from the process of production via the commodification of labour, but also from other aspects of life that cannot be reduced to 'work' or the 'economic'. For example, Elden (2004b: 111) highlights how Lefebvre views alienation as a process that goes beyond the economic, with everyday life as the terrain of struggle, rather than representing the conditions and relations of material production. Lefebvre argues that the commodification of culture and social life, where, "everything is for sale" (1988: 80), further characterised by a dominance of repetitive action situated within a society of controlled consumption, has, "...torn [the individual] from his [sic] self and changed into a thing, along with his [sic] freedom" (Lefebvre 2002: 206). Elden (2004b) outlines a fourfold schema for studying alienation, drawing upon Marxian forms of alienation that influenced Lefebvre's own work. These four forms of alienation involve (Elden 2004b: 42 emphases in original):

1. The alienation of workers from the product they produce: the product becomes an objectification of labour;
2. The alienation of productive activity itself, of the process not just the result: work is external to the worker;
3. The alienation of man [sic] as species-being, from his [sic] humanity: abstraction of individual life, turned into purpose of species life;
4. The alienation of man [sic] from other men [sic], the community: Others seen by same (alienating) standards.

The relevance of these claims becomes apparent when the alienation (referring specifically to point four above) experienced by transnational professionals realises itself (through the deployment of various forms of capital) in the production of gated and segregated social groups and physical spaces. The argument made throughout the thesis is that the existing conditions of alienation that many TNPs experience manifest themselves in the form of survival

strategies and tactics that lead, via the struggle over various forms of capital, to the formation of specific groups, and of exclusionary spaces that both serve to further alienate an individual from his or her surroundings. As Lefebvre (ibid: 208) has eloquently commented:

...to become part of a collectivity can 'disalienate' one from solitude, but this does preclude new alienations which may come from the collectivity itself.

Intimately bound up with Lefebvre's theories regarding everyday life and alienation is the 'theory of moments'. The theory of moments argues that within an individual's everyday life are a series of key moments that, according to Shields (1999: 58), "...are those instants that we would each, according to our own personal criteria, categorise as 'authentic' moments that break through the dulling monotony of the 'taken for granted'". Lefebvre saw moments as events, or presences, that punctuate the monotonous, repetitive and alienated nature of contemporary everyday life, and that such moments serve to redeem everydayness through their formative and creative potential. This theme, and the role of the moment, has been popularised by Marcus (1989: 144) as follows:

...one had to think about 'moments' – moments of love, hate, poetry, frustration, action, surrender, delight, humiliation, justice, cruelty, resignation, surprise, disgust, resentment, self-loathing, pity, fury, peace of mind –those tiny epiphanies...The richness or poverty of any social formation could be judged only on the terms of these evanescences; they passed out of consciousness as if they had never been, but in their instants they contained the whole of life.

Such moments then can be marked as periods of time when an individual experiences a disalienation from the mundane repetition of everyday life, a feeling of connection with his/her Self, a sense of realisation and awareness that has the potential to reconfigure and reconnect certain aspects of an individual's everyday life that were defined in terms of an absence or an alienation. Lefebvre (2002: 348 emphasis in original) notes that such moments can be seen to be, "...*the attempt to achieve the total realisation of a possibility. Possibility offers itself; and it reveals itself*". Such a theory offers a critique of the notion that everyday life is mundane, repetitive and somehow unworthy of

study, indicating that within the most apparently mundane articulations of practice, radical moments of reconfiguration and rearticulation occur on a regular basis. It is argued within this thesis that moments (as turning points and events) play a pivotal part in shaping the everyday lives (practices, interactions and spatialities) of the transnational professional, serving to embody processes of apparent disalienation but in fact creating new alienations.

Alongside the concepts of alienation and the theory of moments is the work on time and rhythm that characterised Lefebvre's (2002) later work. The focus on timing and rhythm is integral to understanding the exclusionary and alienating nature of the everyday life of transnational elites. Indeed, everyday life in its French form *le quotidien* refers not only to the mundane, the everyday, but also to the repetitive; that which happens every day. By introducing a temporal element to the everyday, Lefebvre sought to reconceptualise the relationship between space and time, not only within the realm of the everyday, but also in the historical development of urban space. Central to this reconceptualisation is how the everyday can be defined as a set of embodied socio-spatial *routines* that are often taken for granted because they are so familiar. Indeed, Lefebvre (2004: 15) notes that:

Like space, it [time] divides itself into lots and parcels: transport networks, themselves fragmented, various forms of work, entertainment and leisure. There is not time to do everything, but every 'doing' has its time.

Therefore, I argue, unpicking the geographies of everyday life is essential in grasping the differing rhythms inherent within it, as well as the geographies in which such rhythms are realised. The consequences of rethinking everyday practices and spatialities in this way are that the production of exclusionary urban spaces can be temporally charted and understood in terms of the practices inherent to them.

In understanding and studying the rhythms of individuals (and groups), it is particularly pertinent to reflect upon how Lefebvre (2000: 55) deconstructs time into three components; free time (leisure time), required time (work time) and constrained time (travelling time and time for bureaucratic formalities). The

balance he argues between these three types of time has changed throughout the 21st century, concomitant with what he perceived to be the permeation of capitalism into spheres external to the economic and labour. In thinking this way it becomes possible to make judgments regarding work-life balance, or more accurately, the work-leisure balance, of individuals' lives and how the (dis)equilibrium that exists between the two can have formative impacts upon life course, the production of space and the genesis of groups.

The rhythms that Lefebvre talks of encompass not only bodily functions (the pulsing of blood, the regular need to eat, drink and excrete) but the imposed rhythms linked to the nature of an individual's work (proportion of the days spent working and engaged in labour), but also linked to an individual's personal situation (whether they are married, have a partner, children, the size of their friendship network and their consumption tastes). In the research presented here, I argue that among the TNPs studied, the nature of such rhythms is a key contributory factor in producing exclusionary urban space(s). In addition, the link between everyday rhythms and the production of exclusionary spaces is made, arguing that the replicable and highly routinised rhythms that characterise the early stages of a TNP's stay in the city, serve to reproduce those spaces seen, within the work of Sassen (2001) particularly, as being evidence of a burgeoning urban elite.

Specifically, the pressures of work and the need to impress bosses, managers and managing partners in multinational companies, places work at the very centre of everyday life for TNPs. The nature of corporate employment within MNCs is such that individuals will often work long hours in order to keep on top of the work, learn different contextual procedures and cast themselves as 'successful' within the workplace. Such pressures on time often mean that time spent away from work is limited, and the lack of social contact leads people into socialising with other TNPs (from the individual's own company or beyond), thereby fulfilling functions of corporate networking in the pursuit of leisure and of friendship. The alienation that such a routinisation brings, centring at all times around work, means that many other practices essential to the maintenance of a fulfilling and varied life suffer. The hyper-activity and highly repetitive rhythms of a life dominated by paid work can lead to the collapse of marriages, a lack of

engagement with place specific cultural practices and, in the case of non-English speaking countries, a lack of engagement with language learning that can serve to initially lock an individual within the extreme alienation of these work centred rhythms¹². Within this thesis, the constraints that such a lifestyle imposes upon many individuals in the corporate sector are discussed in relation to how social networks and groups mutate and change over time, and how certain Lefebvrian moments borne out via hyper-routinisation, serve to reconfigure such networks. Additionally, Chapter 6 examines in further detail how the alienations brought about by the monotony of an existence dominated by work can lead to revelatory moments that serve to radically rearticulate everyday practices and spatialities and begin to decentre the role of 'work' within an individual's everyday life. These moments serve to encourage the development of a more diverse array of social and / or leisure practices that do not revolve solely around the formal workplace.

In outlining the theories of alienation, the theory of moments and the role of rhythm in constituting everyday life, it becomes necessary to begin to think how these three factors and sets of processes produce space. By combining the various concepts outlined above with a review of Lefebvre's (1991) seminal work concerning the production of space, several suggestions can be made. First, everyday practices and their associated rhythms are integral in the production of the social space of the city. Second, the effect that certain moments have on individuals can serve to radically reconfigure how certain individuals and groups produce space. Third, whilst alienation is in many ways formative of these moments in its extreme form, in its most mundane form specific alienations encourage the formation of place specific cliques that carve out exclusionary enclaves within the city as a direct result of the 'alienation-disalienation' dialectic (Lefebvre 2002: 207). The next section discusses further how the everyday life of individuals and groups produce differentiated spaces. This will be done by engaging with Lefebvre's (1991) *The Production of Space*

¹² Whilst such a set of situations cannot be said to be true for *all* of the research informants interviewed, the vast majority have experienced several of these phenomena. Interestingly however, many of the informants have used what they perceive as 'negative' experiences to begin to engage in more diverse social, economic and cultural practices (see Chapters 5 and 6 for elaboration)

and the threefold dialectic developed within this work, focusing upon spatial practices, representations of space and spaces of representation.

2.3.1.2. *The Production of Space.*

It is not necessary here to interrogate in great detail Lefebvre's theories on the production of space, as this has been conducted elsewhere (see Elden et al. 2003; Elden 2004a; Shields 1999). The focus here then is on the claim that (social) space is divided into a three-part dialectic consisting of spatial practice, representations of spaces and spaces of representation. The relative balance between these three aspects of space, and the dialectical relationship that exists between each of these and the other two aspects make up 'space' (Shields, 1999: 161). It is necessary before examining each of these in turn to understand that each of the three parts of the dialectic operate at *all* times, but the varying balance and degrees of repression of one aspect or the domination of another, marks out historically specific, socially produced, spatialisations.

David Harvey (1989: 211-225), for example, has attempted to integrate the three aspects of the dialectic as a 'grid' of spatial practices. Harvey interprets spatial practices as consisting of, "...the physical and material flows, transfers, and interactions that occur in and across space in such a way as to ensure production and social reproduction" (Harvey 1989: 218). Additionally, spatial practices include everyday practices, and how the mundane activities (and spatialities) of everyday lives serve to ensure social and material (re)production. Harvey makes explicit the distinction between how spatial practice both *uses* and *produces* space. Indeed, the use of space and the production of space can be seen as mutually reinforcing. Making use of a space through practice (for example, visiting a certain bar, restaurant or shop) helps to ensure the continual reproduction of that space. The spaces produced through 'material' spatial practices (the expenditure of energy and the deployment/conversion of capital) consist of the physical infrastructure (urban morphology, transport networks etc) as well as the territorial organisation of social infrastructures. The (re)production of physical spaces is seen by Harvey as producing simultaneous forms of domination through patterns of exclusionary zoning and social control, as well as through the production of private property and the consequent production of exclusive communities and neighbourhoods. This practical aspect of Lefebvre's

dialectic is conditioned by both the 'representations of space' and the 'spaces of representation', which are in turn either reinforced or broken down by lived experience and the everyday practices of individuals.

Representations of space are best thought of as the discursive regimes of the analyses of space, how space is conceptualised by scientists, urban planners and cartographers. Lefebvre (1991: 38) believed that this aspect was the dominant space in any state or society. Additionally, Lefebvre (1991: 33) states that such presentations of space are tied to the relations of production and the 'order' which those relations impose. For example, the capitalist mode of production imposes a certain order and perception of space that in many ways can dominate and influence spatial practices. Harvey (1989: 221) uses the examples of how various semiotics and discourses are produced (both in the everyday and through academic disciplines dealing with space), and how the representations of space produced via knowledges, codes and signification govern, and to an extent contextualise, the spatial practices born out in everyday life. For example, the representation of space as a commodity (bringing with it notions of desirability), that is a direct outcome of the capitalist mode of production, is complicit in governing our spatial practices by limiting our free movement and 'existence'. The privatisation of housing and land markets that are central to the capitalist system, and the (in)affordability of certain properties to certain people leads to a markedly differentiated urban landscape that is in turn a reflection of the relations of production and processes of social polarisation and class transformation.

The final aspect that warrants attention is that of spaces of representation, which are seen as mental inventions or imaginary constructs based upon individual or group interpretations of *both* spatial practices *and* representations of space. A useful example of this aspect at work within the research presented here is the imagination of the Roma¹³ within Prague put forward by one informant. The role of the media in representing the Roma as a criminal underclass and the racist policies directed toward them by the Czech

¹³ This is drawn out later in the thesis in more detail in Chapter 6 as a way of demonstrating broader processes of Othering, alienation and fear that in many ways define the socio-spatial practices of an expatriate professional.

government¹⁴, combined with historical representations of 'gypsies' in the British press led to the formation of a particularly extreme 'space of representation' by this informant. The representations of space that he had been subjected to via the British and Czech media, as well as the rather tenuous experience a friend of his had been subjected to, meant that he imagined an entire area of the city with a particularly high percentage of Romany residents as being 'unsafe', 'dirty' and 'dangerous'. Whilst an extreme example, it demonstrates the linkages between how spaces (and societies) are represented by the government and the media, and how these dominating representations can form 'spaces of representation' in the (shared) social imaginaries of individuals and groups. In the case presented about the construction of this 'space of representation' impacted upon the interviewee's everyday spatial practices, as he would not venture into this particular area of the city for fear of confrontation.

This analysis is all very well as a theoretico-practical exercise in understanding how (urban) space is produced, but by allying the discussion explicitly with concepts of social exclusion it is possible to use this threefold dialectical form to unravel the spatialities of economic and social exclusion. By understanding the dialectical relationship between spatial practices, how space is represented (via the mode of production, scientists and the media) and our own imagined representational spaces (for example, which spaces do individuals imagine as being frightening, desirable etc) we can gain a better understanding of how *exclusionary spaces* are formed. Such an understanding is particularly relevant in the post-socialist context in which rapid transformations to the mode of production, to press freedom, and to international relations have come together to transform everyday practices. By focusing this research explicitly upon the everyday practices and geographies of TNPs, it becomes possible not only to make empirically informed judgements on the role of everyday practice in producing exclusionary urban spaces, but also to provide a critique of the notions of elitism and exclusivity outlined in the first section of this chapter. Drawing largely upon the work of the sociologist Michel de Certeau, the next

¹⁴ In fact these policies had a very material spatiality. For example in the city of Ustí nad Labem in Northern Bohemia, the local municipal government sanctioned the building of a wall in the city to separate the Roma and Czech communities and was reported extensively in the Czech and international media. Whilst the international media was in many ways vital in the wall's removal, the public use of the wall as a divisive structure sought to reinforce some individual's perception of the Roma.

section provides the foundations for understandings how everyday life is practised.

2.3.2. Poetics of The Everyday: Michel de Certeau.

Following on from Henri Lefebvre's profoundly dialectical theorisation of everyday life, it is important to engage with the work of Michel de Certeau, particularly *The Practice of Everyday Life* (1984), as it seeks to understand the role of practice in everyday life. I argue, following de Certeau, that central to an understanding of how the everyday practices of transnational professionals and expatriates are involved in the production of exclusionary spaces and narratives, is an understanding of how these individuals make use of a variety of tactics and strategies - what de Certeau (1984) has termed ways of 'making do'. Couched within contemporary research on the networked and informational society is the assumption that individuals seen as global elites are in fact the possessors of significant power that is realised through the production of exclusionary spaces and groups. Such a singular rendering of power as something possessed and consciously deployed, is, I argue, misplaced. Whilst it is impossible to deny the links between socio-spatial exclusion and growing income inequalities in global cities (as part of wider processes of uneven development), the mechanisms through which such spaces are produced are too readily seen as manifestations of the assumed power held by this new 'urban elite'. Rather, then, I propose that the exclusionary spaces, social groups and networks that TNPs are present within help (re)produce, are in fact outcomes of various tactics and strategies, that are themselves the outcomes of a set of power relations that are always being formed and always under negotiation (see Section 2.4. for further expansion).

Explicit attention has been paid to the work of de Certeau (1984) by Smith (2007) and Williams and Round (2007b) who argue that various tactics and ways of 'making do' are intimately bound up with attempting to (re)create the material standards of living experienced under state socialism. The argument presented in this thesis is that TNPs whilst often financially wealthy are culturally and socially 'poor' when living and working in foreign places and cultures. Therefore, I argue that the everyday practices of those often scripted

as 'successful', 'powerful' and 'elitist' are in fact a series of tactical and strategic ways of 'making do' socially and culturally. Such 'ways of making do' are central to the production of space as practices, and their attendant power relations, are integral to the implementation of tactics and strategies and are realised through the ongoing (re)production of specific spaces. Additionally these practices are important in the production of groups and, as I will argue, are subject to reconfiguration and reorientation over time. It is necessary then to discuss briefly, how de Certeau viewed the 'tactic' and the 'strategy' as being different ways of 'making do' that are implicit throughout everyday practices and within the production of exclusionary spaces¹⁵ and the formation of groups.

Michel de Certeau (1984) outlined definitions of both strategies and tactics as ways of 'making do', referred to in French as *la perruque*¹⁶. The distinction between the 'tactic' and the 'strategy' is of utmost importance here, as the two mechanisms involve very different power relations and configurations of practices. De Certeau (ibid: 36) conceives a strategy as being a rationalised plan of action that involves the creation of a delimited *place* as its own, from which relations with external threats and the perceived Other, can be viewed and managed. Integral to this is the creation of its 'own' place, a place in which its own power and will can be objectively brought to bear on that of others (for example, corporations, cities, individuals and institutions). This creation of a gap or break between the 'place' of one thing and that of another is crucial, and has a number of important effects (ibid). First, the strategy privileges the triumph of space and place over time; it allows for the capitalisation of acquired advantages, the preparation of further expansion(s) and thus hinges upon a notion of independence from variable factors. As de Certeau notes (ibid), "It is a mastery of time through the foundation of an autonomous place". Second, it involves a mastery of place by sight and through vision. The division of space inherent with the strategic realm makes possible a 'panoptic practice' that

¹⁵ It must be pointed out at this stage that I do not see spatial differentiation *solely* as an outcome of human agency. Broader processes of capitalist uneven development are undoubtedly and undeniably at work (Smith 1991, Smith and Williams 1986). However, within the context of this research, I argue that the embodied everyday practices and tactics employed by expatriates serve to further deepen and demarcate already present differentiations.

¹⁶ A literal translation of *la perruque* is difficult due to the idiomatic nature of the term. It is best explained as the work one does for oneself in the guise of work done for someone else, usually an employer. 'Making do' is a more usable and succinct definition and will be used here. It is useful however to recognise the literal meaning of the French original.

transforms foreign forces in objects that can be observed and measured: “To be able to see (far into the distance) is also to be able to predict, to run ahead of time by reading a space” (ibid). Such a conceptualisation is akin to Foucaultian conceptualisations of power based upon the surveillance of the Other by the proprietary powers through a variety of techniques, technologies and apparatuses of power (Foucault 1977). Finally, de Certeau suggests that this ability to transform the uncertainties of history into readable and legible spaces serves to define the power of knowledge and knowing but, more correctly he believes, is that this way of seeing in fact creates its own form of knowledge. In other words, “It makes this knowledge possible and at the same time determines its characteristics” (ibid), intimating that this notion of power and surveillance are inseparable from certain forms of knowledge that enable strategic dispositions.

What is the precise relevance of these claims for the analysis presented here? Firstly, much of the literature concerning elites in global command and control centres such as London and New York assumes that these individuals have an inherent mastery, a strategic posture and disposition that an individual uses to rationalise and plan ahead, and what is more, these strategies are nearly always scripted as being ‘successful’. Such strategies do indeed exist amongst TNPs working in Prague, especially during the early stages of their career overseas or even prior to moving abroad, as I will demonstrate in Chapters 5 and 6. For example, the move to a foreign country, may be seen objectively as a way of encouraging a successful career, and the move itself will be planned strategically in terms of where to live, access to schooling, leisure spaces etc. However, in reality such strategies are often misplaced, as the nature of everyday life is actually unpredictable and always open to the unexpected. The almost total failure of many individuals’ strategic approaches to life overseas can be viewed in the way that most ways of ‘making do’ socially and culturally amongst my interviewees is based upon what de Certeau would term the tactic.

The tactic then, de Certeau defines as, “...a calculated action determined by the absence of a proper locus” (ibid: 37). In other words, tactics can be conceptualised as an action that is played out and practiced in a space that has a terrain imposed upon it, and organised by an external power. Unlike the

strategy, it does not have the means to *keep to itself*, to delimit itself or set a distance between itself and the Other. It does not therefore have any options to plan strategically by viewing the ‘adversary’ or ‘opponent’ as a whole within a distinct, visible and objectifiable space. More evocatively then:

It operates in isolated actions, blow by blow. It takes advantage of ‘opportunities’ and depends upon them, being without any base where it could stockpile its winnings, build up its own position, and plan raids...It must vigilantly make use of the cracks that particular conjunctions open in the surveillance of the proprietary powers. It poaches them. It creates surprises in them. It can be where it is least expected. It is a guileful ruse.

(de Certeau 1984: 37)

Perhaps this is the best way of understanding the tactic or more accurately, practices that are tactical in character. It is viewed as an art of the weak, the tactical is a series of small works and of small victories over the strong. However, since the purpose of this thesis is to move away from binary distinctions opposing the ‘weak’ to the ‘strong’ in the analysis of TNPs, the tactic should be seen as a practice that emerges from a *relative* weakness or absence. As discussed above, the role of the tactic within everyday life has only recently emerged within human geography as a way of rethinking diverse economic practices, and repositioning the various forms of economic action (such as household food production, the economy of jars, gift economies and economies of reciprocal exchange) not as ‘survival’ *strategies* constituted as a response to hardship and austerity, but simply as ways of ‘making do’, ways of supplementing and making things in some way ‘better’ – not as something exterior to a dominant regime.

Interestingly, the role of the tactic has only truly been invoked in an ‘economic’¹⁷ sense as way of ‘making do’ materially. Within this thesis, I posit that tactics are not solely ways of increasing economic capital, but are intimately bound up with both social and cultural capital (see Section 2.4.1). These tactical practices will be discussed in further detail throughout the thesis, and therefore will not be

¹⁷ The intention here is not to single out the ‘economic’ as opposed to the ‘social’ and ‘cultural’, rather I recognise the economy of practices as being multiply constituted by all three.

covered here, suffice it to say that the tactical nature of the everyday practices of TNPs serve as a critique of a globally extensive and *powerful* group of elites. The assumption of elitism, of mobility and of mastery, discussed in the first part of this chapter, is in turn based on the assumption that these individuals act in a *strategic* manner. That somehow, due to relative material wealth, these individuals can objectify and make everyday panoptican 'battle-plans' that serve to promote a set of elitist practices that are consciously enacted through group formation and through the production of certain spaces. The argument here is the inverse, the perceived alienation that is implicit within living in another country, when someone is removed from established social networks, and removed from cultural familiarity, does not necessarily lead to elitist *strategies*. Rather then, the everyday lives of transnational professionals are defined by both tactical *and* strategic practices, whereby the two sets of approaches are co-constitutive, creating and producing ways of getting by and ways of coping, and are themselves constitutive of a complex skein of power relations. That said, however, these practical ways of coping inevitably have material and spatial consequences. For example, the deployment and conversion of economic capital into social and cultural capital encourages the genesis of social groups (see Chapter 6), (re)produces exclusionary urban spaces such as expensive winebars and restaurants (Chapters 5 and 7). Indeed the production of particular spaces by individuals and groups could be seen as a by-product of making do socially and culturally. The relatively high economic capital possessed in the first instance by TNPs contributes to the production of exclusionary spaces, whilst the absences of cultural and social capital could be seen to undermine the labelling of an individual as an 'elite'. Therefore whilst some of the spaces produced through everyday practices are elitist and exclusionary, it is not necessarily fair to assume that elite practices produce elite spatialities.

The following section will build upon these understandings of everyday practices, by providing a discussion of the nature of power in the everyday lives of TNPs in Prague, before continuing with and engagement with the work of Pierre Bourdieu. The discussion of power will hinge upon providing a destabilisation of understandings that position power, "...as something which radiates out from an identifiable central point, with a reach that is somehow

effortless” (Allen 2004: 19). Whilst such accounts of power are invariably linked with the extension of political-economic regimes such as neo-liberalism, such a conceptualisation I argue is implicit within much of the literature surrounding global elites (see Sklair 2001) and their supposed ‘mastery’ of time and space. The argument presented here focuses upon what Allen (2004: 22) refers to as the ‘roundaboutness’ of power, exploring the notion that power should be seen as more immanent and diffuse, insinuating itself into everyday life through, “...indirect techniques of self-regulation which make it difficult for individuals to behave in any other way” (ibid: 23). This re-thinking of power in the analysis of TNPs encourages a more open and less determinist understanding of the ways in these individuals produce exclusionary spaces.

2.4. POWER AND THE PRACTICE OF EVERYDAY LIFE.

Implicit with the above discussion are various understandings of power, and this section aims to offer some suggestions as to how power is conceptualised throughout this thesis. Contemporary engagements with everyday life and specifically, everyday *geographies* have generally avoided a direct engagement with the various forms of power that are practised through, and serve to govern, everyday practices. Whilst the work of Lefebvre and de Certeau hint at the various complexities of power within the realm of the everyday, particularly within Lefebvre’s (1991) dialectical view of spatial dominance/resistance and the understandings of power presented by de Certeau (1984, see Massey 2005 for critique) in his discussion of strategies, tactics and ways of making do, contemporary research has largely failed to examine empirically the linkages between power, practice and everyday life.

Indeed, the realm of the everyday is the field in which effects and impacts of power are most deeply felt, immediate and visceral, *whilst at the same time* most difficult to place, to fix and to ‘nail down’, especially when we understand that space and power are relational and co-constitutive (Massey 2000; 2005) and that, “...power in its various guises is always mediated relationally through space and time” (Allen 2004: 30). Within this section, I argue that central to the automatic ascription of elite status to TNPs discussed earlier in the chapter, is that researchers have often scripted power as being a *direct* correlate of

material wealth, and as something possessed, wielded and used to dominate space and society (see Weber 1978). Whilst the power conveyed by relative financial wealth under neoliberalism *must* be acknowledged, such a view is over simplistic. It is my intention within this thesis to engage with and develop a more decentred and non-essentialist understanding of power in everyday life. As John Allen (2003: 66) notes, within more decentred, relational, conceptualisations of power:

...the focus...is upon the techniques and practices which compose the texture of everyday life on the endless play of techniques and practices which work to secure particular forms of conduct, or, more pointedly, through which people freely fashion their own sense of self.

However, the role played by national and pan-national 'regimes of accumulation' (see Aglietta, 1979) in setting the conditions through which everyday life is practised and performed cannot be ignored. As Althusser (1969) noted, "...the existing conditions are our conditions of existence", in other words then, prevailing political-economic orthodoxy sets conditions that contribute to the constraint, governance and enablement of 'the micro-contexts of everyday routines' (Barnett 2005: 9; Mitchell 2006). Recent research has shed light upon the ways in which these conditions are domesticated and made 'increasingly tolerable' through everyday practices (see Creed 1998; Smith and Rochovská 2007). Such an understanding is particularly fruitful as it provides a way of reading power that places everyday practices at the forefront of engagements with power, promoting the view that power is not something 'external' and 'out there', but is in fact always intimately bound up within the activities and practices of people in the course of their day-to-day lives. This is of particular relevance to this thesis, as through an exploration of the everyday lives and practices of TNPs, and the ways that such practices produce exclusionary and 'elitist' spaces, the argument is made that such spaces are the outcomes of complex diagrams of power relations, and as such are not reducible to financial wealth or conceptualisations that view power as something centred and 'wielded' in the pursuit of spatial domination.

Following this, it is appropriate to engage with Deleuze's (1988) critique of Foucaultian power, to recognise the dispositions, tactics, techniques and microphysics of power that serve to constrain and offer the potential for subversion in our everyday lives. Indeed, "...power has no essence; it is simply operational. It is not an attribute but a relation: the power-relation is the set of possible relations between forces" (Deleuze 1988: 27). In other words, the complex power relations under neo-liberalism cannot be reduced to an institutional centre or an essence. The various practices integral to everyday life are implicated with(in) different diagrams of power relations that, whilst partially constituted by political economic factors (such as labour markets and the nature of work and employment), the circulation of capital and the production of space, are *ultimately* exercised in the realm of the everyday through different practices. In understanding the complexities of power in everyday life, it is important to recognise the role played by human agency and the ways in which power is implicated in the production of exclusionary spaces and narratives *on the ground*. Therefore, this thesis is not about, "...looking for origins, even lost or deleted ones...", but rather, "...setting out to catch things where they were at work, in the middle: breaking things open, breaking worlds open" (Deleuze 1995: 86).

Whilst recognising understandings of power as governance that rely upon the imposition of control through a set of actors and institutions, I argue that the power relations that individuals are embroiled within throughout their everyday day lives, cannot merely be reduced to a notion of external control. Rather, the ways in which everyday practices are governed and enabled depend upon the accumulation, and possession of, different forms of capital. Following the French sociologist Pierre Bourdieu, capital can be broken down into cultural, economic and social forms, and the relations existing between the relative levels of each form of capital, govern and enable everyday practices. Therefore, the next section will briefly outline the potential offered in understanding the *practice* of power by engaging with the work of Pierre Bourdieu. This will argue that by understanding practices as being intimately bound up with the accumulation of various forms of capital, that these forms of capital act as generators and stores of power. Additionally, by understanding the way in which Bourdieu theorised the linkages between class, practice and capital provides us

with a fuller understanding of the ways in which power should be viewed – as relational, as diffuse and as inherent and integral to the development of critical understandings of practice and the everyday.

The work of Pierre Bourdieu (1977, 1979, 1985a, 1985b, 1986) has had a significant impact within the social sciences over the last 25 years¹⁸. It is somewhat surprising therefore that his influence within human geography has been relatively limited, although certain elements of his work have been developed, particularly in the area of health geography (Curtis 2004; Curtis and Jones 1998). By engaging with Bourdieu's work concerning the genesis of groups and multiple forms of capital, the intention here is to move away from understanding TNPs as an objectively measurable 'category'¹⁹, and to begin to understand in greater detail how social groups (such as TNPs) coalesce, as well as forming the basis for a reconceptualisation of the role of power in everyday practices. Bourdieu's theories regarding multiple forms of capital, I argue, open up new ways of considering TNPs and the relationalities of power seen as being important to both the genesis of groups and the production of exclusionary spaces. By integrating aspects of Bourdieu's work on multiple forms of capital and the genesis of groups with the work of Henri Lefebvre (1991, 2002) and Michel de Certeau (1984) on everyday life, it becomes possible to examine the position that space and place have in the lives of TNPs, whilst recognising the importance of practice and power in such understandings. Whilst Bourdieu attempted to distance himself from certain forms of Marxist thought, he argued alongside Loïc Wacquant (Bourdieu and Wacquant 1992) that his theories should be seen as flexible and that certain inconsistencies were necessary for critique and the theoretico-practical progression of knowledge²⁰. The remainder of this section will focus upon

¹⁸ Recent examples include Burt (1997), Frank and Yasumoto (1998), Harvey and Maclean (2008), Oh et al (2004), Swartz (1997) and Wacquant (1989).

¹⁹ Chris Wilkes (1990: 109) has identified such forms of categorisation strongly with structural Marxism, specifically the work of Louis Althusser (1969, 1970, 1972) whose formalistic conception of class Bourdieu (1985a: 726-727) explicitly sought to distance himself from. Althusser's legacy is of course well charted within economic geography, particularly his theories regarding contradiction and overdetermination (see Gibson-Graham 1996; 2006a and Resnick and Wolff 1987) as well as his influence upon the regulation school (Aglietta 1979) of political economy. This thesis is not rejecting the importance or relevance of non-essentialist Marxist thought, but is suggesting that an overly structural, scientific and categorical approach to studying class lacks an understanding of the micro-scale processes of class formation.

²⁰ This point has been reiterated by Skeggs (2004: 20), to whom I am grateful for bringing this point to my attention.

Bourdieu's theses regarding multiple forms of capital and a brief engagement with his research concerning the social space and the concept of the field.

2.4.1. Capital Forms and Class Trajectory.

The multiple forms of capital delineated by Bourdieu (primarily within 1986: 101-114 and 1985a) are economic, social, cultural and symbolic capital. I argue that by using this understanding of capital, it is possible to examine the ways in which these different forms of capital serve to govern, constrain and enable an individual's everyday practices. The first form, economic capital, is similar to Marxian understandings of capital and consists of income, material wealth, financial inheritance and assets, such as property or land. The second, cultural capital, consists of cultural experiences, lifestyle, taste and education, amongst other things. Skeggs (2004: 15-18) has further broken cultural capital down into, (i) its embodied state (the dispositions of mind and body – taste), (ii) the objectified state (cultural goods) and, (iii) the institutionalised state (educational qualifications, formal group memberships). The third form, social capital, consists of an individual's²¹ social networks and connections, friendships and the membership of groups and societies that perform 'networking' functions. The final form of capital outlined by Bourdieu is the symbolic. Symbolic capital plays an important role as it is the form that economic, social and cultural capitals take when they are perceived (and therefore legitimated) by other individuals and by other groups.

For example, high levels of economic capital converted into symbolic capital through the purchase of certain commodities (for example a holiday home, a sports car or a bespoke suit) which when perceived by other people, are legitimised as evidence of material wealth. Skeggs (ibid) has argued that this process of legitimation is essential before symbolic capital can be converted, once more, into both symbolic *power* and *value* (the realisation of capital). Within this thesis, capital is understood to take the four forms outlined by

²¹ The concept of social capital has become something of a 'buzz-word' within the corporate economy, particularly with the reference to a company's desire to network, connect with and join various organizations (such as business associations). The definition used here refers to an *individual's* social capital and *not* a corporate definition, though the two are related.

Bourdieu, however as will become apparent, emphasis will be placed upon both the accumulation of capital in actually existing *places* (such as bars, restaurants, shops etc), rather than through more abstract and 'placeless' *spaces* central to Bourdieu's conceptualisation of capital conversion. In addition to placing further emphasis on the role of practice in the exchange and accumulation of capital forms, an engagement with Bourdieu provides a framework for rethinking the ways in which 'non-financial' capital forms are vital to the production of space through everyday practice and the exclusions that are often inherent and integral to such formations.

The conversion of the different forms of capital into symbolic capital is only one example of how capital can be converted by individuals. Theoretically, each form of capital can be converted into any other, providing a useful and original way of re-thinking the centrality of economic capital in theorising class, class position and the attendant power relations. Perhaps the clearest way of demonstrating the process of capital conversion is by providing a theoretical example based upon the empirical research presented here²². Consider, for a moment, an individual who is newly arrived in Prague, working for a multinational law company and earning a salary that reflects the professional skills required to be successful within the company. He or she will potentially possess a high volume of economic capital (that is gained through paid labour) and a relatively low level of social capital, due to the individual living and working in a new city, and within a country where English is not the first language outside of the corporate world. It is necessary for an individual to make social contacts and form relationships in order to have a high quality of life. Therefore, the decision is often made to visit certain bars and restaurants with work colleagues, possibly join various business associations or live in areas where there is a high proportion of expatriate residents. Each of these tactics involves the conversion of economic capital into social capital; paying money to join a business association in order to form new contacts/relationships, eating in expensive restaurants with colleagues and paying high prices to live in 'expat' areas of the city in the hope of meeting other individuals perceived as being 'like-minded' are all evidence of capital

²² The example provided is intended to be brief and further in-depth explanation/discussion can be found in chapters 5 and 6.

conversion at work. Another example could be seen as the conversion from social capital into economic capital via the labour market. Within the producer service sector there is a strong tradition of social relationships 'mattering'²³. Individuals who possess high levels of social capital (i.e. know the 'right' people, are strongly networked and are members of business associations) convert this capital into economic capital for themselves and their employer by forming relationships with clients, building bonds of trust et cetera. Also, the (expatriate) labour market is another area in which social capital is converted into economic capital. Someone who has contacts and knows people within the firm that he or she is applying for a job with, could be said to have an advantage over other applicants who are unknown to the potential employer. This social capital is therefore open to potential conversion into economic capital if the job application is successful. Whilst the examples given are merely illustrative at this stage, they provide a useful way of thinking through capital as being both multiple and mutable; being constantly open to potentials for conversion.

The role of capital in class formation set out by Bourdieu (1986) is that an individual's possession of varying levels of different forms of capital positions that person within social space. Following on from this then, Bourdieu (1985a, 1985b) suggests that this position within the social space is governed by two dimensions of positionality. The first dimension is related to the overall volume of capital that an individual possesses (the sum of all the variant forms of capital outlined above). The second dimension of positionality is governed by the composition of capital possessed by the individual. In other words, according to the relative weight of the different types of assets within an individual's total assets (Bourdieu 1985a: 724). Such a strategy of class 'mapping' is ultimately in the realm of the theoretical, as attempting to objectively measure cultural capital, for example, is virtually impossible.

Another key concept, relating to the theories of capital and group formation is the concept of class *trajectory* (Bourdieu 1986: 109-112). Bourdieu used this term both to describe the movement of class fractions within the class structure,

²³ McDowell (1997) is perhaps the most informative work on the role of social relationships and what has been termed 'the old boy's network' within corporate law firms in the City of London. Whilst the situation has changed somewhat since the late 1990s, the role of social relationships is still important in building trust and sharing knowledge (Beaverstock 2002a).

but also to explain the individual progress of an individual through social space. It is the latter use of the term that will form the focus here. Central to the notion of class trajectory is that an individual has a number of different potential pathways through the social space that are dependent on the volume and proportion of capital possessed and the way these are judged by society. These potential pathways are also governed implicitly by the different fields of forces and could be said to be path dependent²⁴, based upon previous successes or failures relating to the –accumulation of different forms of capital. Additionally, the role of capital conversion has significance in terms of an individual’s class trajectory. By converting one form of capital into another, the proportions of capital possessed change and can therefore alter the potential trajectory. Linking back to Bourdieu’s notion of class *position*, the trajectory adds a necessary temporal element to conceptualising class. By understanding that an individual’s class position is open to change and a multiplicity of different (albeit governed) potentials within social space, it further critiques theories of social class as a set of objective and immobile ‘class-ifications’ that are present within the work of theorists such as Leslie Sklair (2001). Therefore, the importance placed by Bourdieu on the *relations* between the different forces present within the social space, and the actors that inhabit social space, implies that theories of power as being relational and de-centred are important in understanding the ways in which social groups (such as TNPs) are formed, as well as the ways in which everyday life is practised.

Whilst Bourdieu’s work has undoubtedly been highly influential within sociology, there are some aspects of his work that prove problematic, especially when viewed geographically. First, within *Distinction* (1986) a cursory glance at the index demonstrates that there is no reference made to space (or for that matter place) outside of the realm of the theoretical and abstract, and only a passing reference to what he terms *geographical space* (ibid: 124). Bourdieu notes that

²⁴ Though not necessarily path *dominated*. This distinction is necessary as whilst the possession of capital is influenced by previous struggles for it, the particular structure of an individual’s possessed capital does not automatically lock an individual into a certain class trajectory. There are multiple paths that can be taken by individual, and the constantly changing volume of capital possessed has a strong generative potential. Additionally, it should be mooted that following Lefebvre’s (1991) ‘theory of moments’, it is possible that certain events and points of individual realization can radically reconfigure a person’s assumed and most likely trajectory.

geographical distance and proximity to various assets (capital) is an important factor relating to the accumulation and possession of such capital:

...a group's real social distance from certain assets must integrate the geographical distance, which itself depends upon the group's spatial distribution with respect to the 'focal point' of economic and cultural values...

(ibid)

I argue that the specificities of *place*, should be accorded much more of a central role in understanding the formation of social groups, rather than by acting as some objectified measure of 'distance' from 'resources', and this point is argued throughout Chapters 5, 6 and 7. Therefore one of the core tasks of this thesis is to introduce understandings of *place* into Bourdieu's concept of multiple forms of capital. This can be achieved through a disaggregation of cultural capital into two distinct, but interrelated forms. The first, (termed cultural capital (i)) consists of cultural capital that is *not* place specific, consisting as it does of formal education, knowledge of cultural norms and practices that transcend the specificities of context and place, enabling survival and progression in a corporate environment. The second, (termed cultural capital (ii)) consists of what I term 'place specific' or 'place based' cultural capital, encapsulating the various everyday knowledges and practices that enable an individual to 'make do' and 'get by' in a foreign country. This second form of cultural capital consists of linguistic competencies (the role of the Czech language), knowledges of the geographies of Prague (where to live, where to shop and where to socialise for example) as well as knowledge relating to the nuances of doing business in Prague. Therefore, I argue that such a disaggregation provides a stronger emphasis upon place, in that whilst certain forms of cultural capital (particularly academic qualifications) are relatively mobile and can be translated into different places and contexts, other forms of cultural capital prove indicative of geographical 'stickiness', and require knowledges and competencies of a place specific nature. By disaggregating this into two distinct forms (both forms (i) and (ii)), the role of cultural capital in group form formation and the production of exclusionary spaces, can be investigated more fully.

For example, everyday, place based cultural capital (that which is deployed and used every day and those which are often overlooked) such as language, knowledge of place specific cultural inflections, practices and norms, and geographical knowledge of particular places, do not travel quite so well. Indeed throughout the thesis, it will be shown that the usefulness of the two forms of cultural capital changes when an individual moves to a foreign country. Indeed the place based specificities of everyday life serve to deepen a divide between work and all else, whereby the workplace becomes a refuge of familiarity (due to dominance of the English language, increasingly internationalised business practices and codes of conduct), whereby life outside of the workplace is often defined in terms of fear and through feeling like an outsider. Such feelings are largely bound up with a relative lack of place specific cultural capital (in this case relating to Prague and the Czech Republic) which can only be increased by learning through doing (practical experience) or by learning from others through social interaction.

Therefore, by adopting certain Lefebvrian ideas concerning the production of space and everyday life, and adapting Bourdieuan theories of group formation and multiple capital forms, it becomes possible to examine the reflexive relationship between the production of space and the production of social groups, through everyday practices. Such a relationship I believe is necessary for understanding the dynamics of socio-spatial exclusion and notions of elitism that are central to this thesis. In understanding that the accumulation of various forms of capital is central to the production of space via everyday practices, it is possible to make linkages between the formation of groups and the spaces that such groups produce. Indeed, the processes and practices inherent within the struggle for capital are also central to the production of *exclusionary* spaces. For example, Chapter 5 is concerned with the ways in which cultural and social capital are vital to understanding certain residential and property transformations in Prague, Chapter 6 focuses upon the ways in which practices of capital conversion and struggle lead to the production of cliqued social networks and the reproduction of exclusionary social spaces (e.g. wine bars and restaurants), whilst Chapter 7 examines the role of cultural capital in the reproduction of exclusionary consumption spaces.

Second, I argue that Bourdieu places too much emphasis on the *possession* of certain forms and proportions of capital. The process of accumulation of various forms of capital brings people together in groups, where capital is competed over and struggled for. This process of accumulating various forms of capital has a distinct set of geographies, consisting of a variety of different places within which capital conversion occurs, and as a result of these processes of conversion and accumulation, these places are reproduced. These sites of accumulation and conversion consist of the workplace, where economic capital is accrued through labour processes; networked spaces of business associations where social and cultural capital is gained (different knowledges, networking with clients, gossip, and the formation of friendships) and winebars and restaurants that fulfil a similar function. These processes of accumulation and conversion entail a degree of practical struggle and negotiation on the part of individuals concerned, involving subtle power plays embodied through everyday practices, and reliant upon the levels of different forms of capital already possessed. This embodiment of power through everyday practices of negotiation lends further credence to claims made throughout this thesis that power should be viewed as being relational and contingent, if a fuller understanding of the everyday lives of TNPs is to be arrived at. Additionally, by studying the spatial manifestations of these processes of capital accumulation and conversion (see Chapters 5, 6 and 7) it becomes possible to both critique Bourdieu's largely *abstract* notion of the social space, as well as potentially formulating a unitary theory of the production of space and the production of groups. The following section will engage briefly with Bourdieu's understanding of the social space and the field, in order to situate the theoretical specificities discussed above into his broader canon of enquiry.

2.4.2. Social Space and the Concept of the Field.

In addition to Bourdieu's important work concerning the multiple forms of capital, it is important to set these conceptualisations in further context by examining his understandings of social space and the concept of the field. Social space refers to an abstract space that views social reality as a topology comprising multiple fields within which people struggle over different forms of capital. Social space

therefore is defined by its abstract nature, in that it is the theoretical arena in which humans inhabit and live. Bourdieu (1985a: 724) best defines this space as a:

...multi-dimensional space of positions such that every actual position can be defined in terms of a multi-dimensional system of coordinates whose values correspond to the values of the different pertinent variables.

In addition to these abstract understandings of social space, Bourdieu introduces the concept of the field. A field is best thought of as a field of *forces*²⁵ that is defined as a series of objective power relationships between social positions. Bourdieu noted (1986: 226) that there are as many different fields of preferences as there are fields of stylistic possibilities – potentially infinite. These fields can represent taste in things such as food, drink, music, newspaper choice, holidays etc, and are interrelated. These fields also act as arenas of struggle in which individuals accumulate and convert various forms of capital, the possession of which determines an individual's position within abstract social space, and their relation to other individuals within the same space. This 'position' in social space is an outcome of an individual's 'conditioning'²⁶ that is in turn an outcome of capital struggles within the different fields of force, a set of processes that can be seen as being reliant upon an understanding of power that is relational.

Bourdieu develops this notion as a way of critiquing what he viewed as the reductivist and determinist logic of structural Marxism that sought to, "...reduce the social field, a multi-dimensional space, solely to the economic field, to the relations of economic production", (Bourdieu 1985a: 723). Such an explicit and vocal critique of the centrality of Marxist political economy (specifically the relations of production) to class studies is at once useful in that it performs a

²⁵ The theory of the field developed by Bourdieu (1984) should not be confused with theories of the 'frame' put forward by Goffman (1986). The two theories differ in that whilst Bourdieu understood that structural properties were embedded in everyday events, Goffman argued in favour of a more explicit form of human agency in which structures were seen as 'distant echoes'.

²⁶ This concept of conditioning is referred to as *habitus* by Bourdieu (1985b; 1986). As such it refers to cultural structures that exist in people's bodies and minds (ibid 1985a). Via everyday practices, Bourdieu argues, an individual's habitus influence, and are influenced by, the different fields of power that exist within social space. This relationship between the field and the habitus (conditioning) is seen as reflexive.

decentring function, but I argue, skews theorisations of class too far in the opposite direction. Indeed, the mode of production and the relations inherent within it (master-slave; bourgeoisie-proletariat; the role of the *nomenklatura* under state socialism) are still important when considering the very real conditions of domination and exploitation that are central to processes of capitalist uneven development, and this thesis is not intended to refute this.

2.5. CONCLUDING COMMENTS.

The four empirical chapters that follow draw upon the theories discussed above in understanding how exclusionary spaces are produced, the problematic assumptions of viewing TNPs as a singular, homogenous 'elite', and how individual's everyday geographies and practices are open to transformations that hinge upon a series of moments punctuating the rhythmic and repetitive nature of everyday life. In addition to these concerns, the empirical material presented serves to critique contemporary understandings of power in everyday life, arguing for a relational and contingent understanding of power as being more appropriate to the study of TNPs, as developed throughout Section 2.4. As I have outlined previously, the importance of political economy in setting the conditions of existence that govern everyday life cannot be ignored. The processes of industrial and labour market restructuring, privatisation, marketisation and liberalisation explicit within neoliberal transformations have radically altered the everyday lives of many, and in the case of the TNP have created the initial conditions for their existence and rise to prominence within capitalist economies. However, whilst political-economic transformations are important in understanding broader processes of socio-spatial differentiation, I argue that exclusionary spaces are ultimately produced through a nexus of everyday practices, serving to reproduce these exclusions on the ground.

The following chapter will outline the methodological approaches employed in researching everyday life in Prague, making clear the linkages between the theoretical approaches discussed above and the implications that these have upon questions of methodology. Chapter 4 focuses upon the economic, social and cultural geographies of Prague since the formation of the Czechoslovak Republic in 1918. This will demonstrate how important the wider political

economy is in shaping the various geographies of the city, examining the pre-state socialist geographies of Prague, the first transformation in 1948 toward state socialism, and how the urban geographies were once again reconfigured following the Velvet Revolution in 1989. This chapter also provides an introduction to the spaces undergoing transformation, which are further examined in Chapters 5, 6 and 7.

Chapter 5 focuses upon the role of TNPs within Prague's luxury housing market. Understanding the role played by TNPs is central in both the production and consumption of these residential spaces, and in understanding how such spaces are the material manifestation of feelings of loneliness, isolation and fear. This engages both with Lefebvre's theories of alienation discussed in Section 2.2.1., the role of cultural and financial capital in the housing consumption practices of TNPs (see Section 2.3) as well as with an examination of the ways in which housing producers (real estate agents, property developers etc) are promulgating socio-spatial exclusion both through the creation of gated communities as well as through a variety of transnational business practices excluding local residents. Central to understanding the 'TNP real estate complex' discussed in this chapter is an exploration of the highly complex networks and power relations underpinning the production of luxury housing in Prague, and this is achieved through a number of case studies of specific developments within the city.

Chapter 6 examines the formation of groups within Prague's TNP community over time, demonstrating the roles that 'fixing mechanisms', such as the formal role played by gated organizations and clubs (e.g. British Chamber of Commerce), as well as informal social networks, play in group formation. Additionally, it will be shown that such groups form through ways of 'making do' and that membership of such groups is forever transitory and far from fostering a sense of community, home and belonging, are unsustainable and claustrophobic (see Section 2.2). Throughout this discussion of group formation is an engagement with the ways in which the relationalities of power are intimately bound up within the various practical negotiations and struggles that take place in certain gated and exclusionary spaces, in the accumulation and conversion different forms of capital.

Chapter 7 focuses further upon the everyday practices of the transnational professionals involved in this research, and examines how the rhythms and repetitions of everyday life reinforce feelings of alienation which when combined with key revelatory moments can lead to sudden and significant restructuring of an individual's everyday spatial practices (see Section 2.2.1). Implicit within this will be an examination of how everyday practices contribute to the production of exclusionary spaces, serving to deepen existing socio-spatial inequalities. The focus on everyday consumption practices and the ways in which such practices reproduce particular exclusionary spaces (retail spaces in particular), examining the ways in which these practices are governed by the possession of various forms of capital drawing upon arguments developed in this chapter and chapters 5 and 6. The final chapter draws a number of conclusions, based upon the research questions outlined in Chapter 1 and also serves to further critique the theories outlined in this chapter, forming a reflexive loop that provides the basis for further enquiries into class, elitism and social exclusion in post-socialist cities. The following chapter, however, explores the main methodological approaches adopted in this research.

CHAPTER 3

RESEARCHING THE EVERYDAY: MICROPOLITICS, ABSTRACTION AND INTERPRETATION.

I prefer lucidity - perhaps a cruel lucidity - that seeks respectable authorities by beginning with an examination of real situations.

de Certeau (1997: 6)

...things and actions are already interpretations. So, to interpret is to interpret interpretations and, in this way, already to change things, 'to change life'.

Deleuze (n.d: n.p in Thoburn 2003: 4)

3.1. INTRODUCTION.

In recent years human geography has experienced a number of epistemic shifts, following the rejection of a series of binaries and dualisms, the most obvious of which centres around the 'cultural turn' (see James 2006). By rejecting the dualism that was seen to exist between the fields of 'culture' and 'economy', researchers have sought to rethink and reconstitute the ways in which economic geography is theorised and practiced. By deploying a range of increasingly fluid and hybrid conceptions, research has focussed upon how the two spheres are mutually constitutive and, in many ways, inseparable (see for example, Barnett 1998; Crang et al 1997; Gibson-Graham 1996, 2006a, 2006b; McDowell 1997; Smith 2002a). The changing nature of the theoretical approaches within the discipline (for example deconstruction (Derrida 1978, 1994), non-essentialism (Gibson-Graham 1996), the practice turn (Schatzki 2002; Schatzki et al 2001) and actor-network theory (Latour 1993, 2005; Serres and Latour 1995)), has been mirrored by methodological developments, eschewing previously established positivistic approaches and entering a radical terrain of participation, observation and inter-textuality (see Barnes 2001;

Gibson-Graham 2006b; Yeung 2003). In light of the ever shifting and mobile theoretico-practical terrain that is currently under production then, a diverse array of qualitative and quantitative methodologies have been used, employing in-depth interviews (Herod 1999; Hraba et al 2000; Lee 1996; Smith 2007; Stenning 2003, 2005), participatory action research (Gibson-Graham 2006b), research diaries (Crang 1994; Latham 2003a), ethnographic methods (Cook et al 2004) and photography (Latham 2003b) in various combinations to unravel the complexities of what constitutes the 'economic'.

This chapter begins with a clarification of how, within this thesis, the research is (re)conceptualised as a process, focussing upon the key moments, translatory terrains and limitations that mediate between the research 'plan' and the research practice(s). By engaging with the work of Michel de Certeau (1984), it is argued that the research process is perhaps best thought of as an assemblage of strategies and tactics that are mutually constitutive. In other words, deference should be paid to the role of the tactic within the research process, understanding that at times it is necessary and advantageous to act on the spur of the moment or 'on the wing' given the unpredictable nature of conducting research. By recognising the role of the ad hoc and tactical, it is important that such an attitude falls within a strategic framework or plan of action, and that by realising the importance of the tactic it is possible to approach research in a more flexible and reflexive fashion. Indeed, the research process can be further rethought as consisting of a number of key moments that can serve to creatively destroy even the best laid plans. Consequently, an understanding of the role of the tactic(al) is important in conducting research. Following from this conceptual framing, the chapter develops by dealing with each of the methodologies employed within the framework of the research objectives outlined in Chapter 1. The intention is to demonstrate the linkages between the different research methods, arguing for the need for each methodology to reflexively inform the others. Additionally, within the discussion of each methodological approach, distinctions are made concerning methodological strategy (how the implementation of each method was *intended* to progress) and methodological tactics (how a specific strategy was translated in the field, in the light of key moments and unexpected events). Finally,

conceptual and practical conclusions will be drawn from the research process as a whole, drawing particular attention to (re)thinking the research process as a complex of different tactics and strategies that when operating together form the basis of a flexible research process that is both focussed and fluid.

3.1.1. (Re)Conceptualising the Research Process.

There has been a significant body of literature that has developed within human geography and the social sciences in recent years, moving away from approaches inspired by positivist philosophies, concerned with the relational (Yeung 2003), cultural (Lee and Wills 1997) and practice turns (Schatzki 2002) within the discipline. Yeung (2003) for example has suggested that economic geographers use a variety of different research methodologies, that embody the concept of the research process as being dynamic, constantly evolving and circular. This point, I argue, is key to understanding the complexity, relationality and co-constitutive nature of theory and practice. The conceptualisation of research as a *process* and as a *circuit*, as well as being an assemblage of strategies and tactics, is a useful way of envisioning the complexities and reflexivities inherent within any research project, mapping the linkages between theory, plan, practice and analysis. Such an approach allows for significant levels of reflexivity and views research informants as being situated within a wider network of actors, linking individuals, groups, institutions and associations. I also argue that the research process as a whole is circular *and* iterative in that any research planning and preparation is itself based on a variety of contested knowledges and philosophies. Such knowledges take the form of reviewing previous literatures that have been studied and have served to inform the research aims, objectives and questions, as well as knowledges of methodological approaches themselves. Throughout the research process and its practice, translations and analysis should always be seen to inform, contribute to or critique current geographical theory, or even contribute new ways of theorising processes and patterns 'from the ground'. Such a conceptualisation also provides a useful way of linking the theoretical and the practical elements of a research project, whilst paying consideration to how a research plan, rationale or proposal becomes re-worked, translated, altered and improved in light of practical limitations and unforeseen circumstances. The

moments of 'translation' that have been referred to briefly above are significant, as they exist between the different stages of the research process, occupying the 'grey areas' and practical lacunae, providing both moments of 'loss' (when something *does not* work) and moments of 'creativity' where a tactical solution to a problem is found, is successful and actually improves upon the original strategy.

It is often taken for granted within economic geography that the construction of a research methodology is dependent upon the researcher's knowledge of previous research projects, personal experiences in the field as well as particular and specific engagements with differing theoretical paradigms (e.g. non-essentialist Marxism, positivism, structural Marxism, post-structuralism, humanism, etc). Indeed, the (always partial) knowledge possessed by the researcher, and the perpetual contests over such a plurality of knowledges amongst scholars and practitioners, act together in guiding the research process. The role of theoretical fashion and taste also plays a part, and the cross-fertilisation of human geography with social and cultural theories has been discussed in further detail by Martin and Sunley (2001). The identification of fruitful areas of research – the gaps, grey areas and lacunae – during the early days of a research project are governed by the pre-existing literatures or their absence.

3.1.2. Mixed Methods, Triangulation and Networked Actors.

The methodological tools employed within this research are perhaps best thought of as a set of complementary qualitative methodologies that are intended to unravel the complex geographies of everyday life from the bottom up. The intention has never been to present a thoroughly objectified account of the role of TNPs in Prague. Rather, it has been the purpose to interrogate critically the everyday lives, spatialities and exclusions that are central to the production of urban spaces in post-socialism whilst recognising the partiality of the knowledges presented. By deploying a 'mixed methods' approach, combining in-depth, semi-structured interviews and visual methodologies, alongside in-situ ethnography and the analysis of secondary data, it has been possible to use the different forms of information to triangulate and move

towards a deeper understanding of the socio-spatial impacts of TNPs on the city of Prague. Implicit within such a project is a networked approach to the methodological process, realising that different actors and interview subjects are linked together within complex webs of association. By penetrating these networks of association that link different actors, and by gaining a succession of entry points into these networks, it is possible I argue, to partially evade the complexities of dealing with gatekeepers who could potentially block access to key informants. Furthermore, by focusing upon the everyday lived experiences of TNPs, their interactions with space and place, and the broader geographies of their lifeworld(s), the conceptual mapping of such networks and the interactions between the different actors can be achieved. For example, by conducting interviews based upon social lives, retail practices and real estate experiences, it has been possible to examine the role of institutional actors such as real estate agents and business associations, by examining the interactions between institutions and individuals.

In addition to recognising the networked culture of TNP life, the research has highlighted the ways in which different strategies and tactics articulate and drive the research process. Through being forced to abandon certain research strategies, due to the complexities of finding contacts and gaining access to research informants at a distance, the benefits of acting tactically in the field were borne out. Indeed, as de Certeau (1984: xix) noted:

...a tactic insinuates itself into the other's place, fragmentarily, without taking it over in its entirety, without being able to keep it at a distance... because it does not have a place, a tactic depends on time – it is always on the watch for opportunities that must be seized “on the wing”.

By realising that an over reliance on certain forms of inflexible strategic planning is not necessarily the most productive way to conduct research, one is freed from certain limitations that are often present when conducting research on a tight financial and temporal budget (see James 2006). In fact, I would argue, by recognising the importance of the tactical encounter, and how such encounters are vital to the reshaping of the research strategy enables a more nuanced and fluid theoretical understanding of the subject. Bearing this in mind then, the

remainder of the chapter focuses upon the different methodologies employed within this research, drawing through how the implementation of each stage of the research was planned, and also how each method was reconfigured in the 'field'. Following on from this will be a selection of concluding comments.

3.2. RESEARCH METHODS.

Generally speaking, the information sought throughout the research process is of two specific forms. The first can be best thought of as relating to contextual and background information concerning a) the historical geographies of Prague's social, economic and cultural transformations, and b) the contemporary geography of the city, specifically relating to the geographies of TNPs. The second category relates primarily to in-depth semi-structured interviews with TNPs living within the city and their everyday lives, extracting information (though not exclusively) relating to how such individuals produce exclusionary spaces, and the role of practice, power and capital(s) in producing such space. In answering the research questions and objectives outlined in Chapter 1, the intention has been to employ a number of different methodologies to provide a rich and contextualised account of the role of TNPs in Prague. The next section focuses upon the specific methods used in constructing, analysing and interpreting the everyday lives of transnational professionals in the Prague, and outlining some of practical challenges faced by the researcher in achieving this.

3.2.1. In-Depth Semi-Structured Interviews.

The use of the semi-structured interview in human geography research has been commonplace in recent years, especially since the cultural, practice and relational turns that have broadened the theoretical and practical scope of the discipline. Indeed, it has been suggested by Crang (2002) that qualitative methods have become 'the new orthodoxy' within human geography. The semi-structured interview allows the researcher to study in detail the diversity, complexity and co-constitutive nature of the different processes and practices that make up the 'economic' within the sub-discipline of economic geography. Such depth of understanding is vital, especially if our understanding of the economic is socially and culturally inflected, allowing a greater understanding of

the ways in which the economy is practised, performed and constructed in everyday situations.

Much has been written over the last decade or so, regarding how to undertake interviews, including discussions of validity, positionality, reflexivity and rigour (Baxter and Eyles 1997; Cochrane 1998; Crang 2002; Herod 1995, 1999; Latham 2003b; McDowell 1997, 1998; Mullings 1999; Schoenberger 1991, 1994, 1998). Examples of in-depth interviews at work within the post-socialist context can be found within a wide range of literature (Hraba et al 2000; Kovács 1994; Seeth et al 1998; Smith 2002a, 2002b; Smith and Stenning 2006; Stenning 2003) concerning the economic and social geographies of post-socialism. Such interviews are rarely used as a standalone methodology, and are often combined with a variety of other methods such as secondary data analysis (Smith 2000), in situ ethnographic research (Czeglédy 2002), household surveys (Smith and Rochovská 2007) or textual analysis, in order to produce triangulated research. In relation to the study of TNPs in global cities, Beaverstock (1996a, 1996b, 2002, 2003; Beaverstock and Boardwell, 2000) combined the analysis of secondary data and textual material alongside in-depth interviews. By doing so, a nuanced understanding of the role of highly skilled international migration was developed, making linkages between individual actors, everyday spatialities and certain institutions.

3.2.1.1. Practicalities of the Interview Process: Complexities of Access and Accessibility.

The decision was made from the outset of the research that in-depth interviews with TNPs would form the bulk of the primary data collected in the field. These interviews would serve to address the career and life histories of the informants, as well as their social lives and place making practices, focusing specifically upon whether such practices (and the spaces that such practices produce) could be seen as exclusionary. This material would also form the basis for interrogating the validity of how these individuals could be thought of as displaying 'elite' characteristics, specifically how such a term is used in a normative fashion by other researchers when studying TNPs. One of the most

challenging factors behind conducting this research related to issues of access, given both my spatial distance from the research field, as well as the paucity of contact details available for potential informants and interviewees. Such difficulties were further compounded by convincing busy professionals that the research was both worthwhile and not a waste of time (see McDowell 1998). Such a problem becomes especially apparent whilst conducting research within what Leyshon and Thrift (1997) see as a 'sexy-greedy' culture, where the watchwords are often presumed to be efficiency, impersonality and selfishness²⁷. Recent work by Beaverstock (2002) has demonstrated however that such individuals are often far removed from being deified entities, located within the ivory towers of professional service firms and form a potentially rich set of research subjects. McDowell (1992; 1998) has similarly studied elites in the City of London, and her reflections provide indication of how difficult it is to find research informants who occupy so called elite spaces. Similar concerns have been echoed by Herod (1999), specifically the difficulty of access to elite informants working within East European trade unions, as well as issues of familiarity with overseas institutions when embarking upon research in an overseas context.

The initial research strategy for gaining research informants was to approach the human resources (HR) departments of multi-national firms present within Prague. These companies were selected using the Membership Directory of the British Chamber of Commerce (BCCCR 2004) and the 'Prague Post Book of Lists'²⁸ (2004). These two publications provided website addresses and contact details for the main multinational and regional companies with the city. By using these sources as a starting point, attempts were made to contact HR departments, requesting that they forward my e-mail to any TNPs working within the company, who could then e-mail me by return to confirm at least an interest in assisting me with the project. Such a strategy was necessary in formulating a 'rigorous methodology' required for the securing of external financial support for the project, and only met with limited success, receiving only 2 responses from a field of 56 target companies.

²⁷ It is important to say here, that very few of my interviewees subscribed to these stereotypes and were often more than willing to be of assistance.

²⁸ The 'Book of Lists' is a trade directory published annually by Prague's leading English language newspaper, 'The Prague Post'.

The most successful methods of gaining potential research informants were more tactical in character, intending to target specific communities within Prague. The most successful medium used was the expatriate website 'Exp@ts'²⁹ that was set up in 2000 by a British TNP as a way of making the transition to life in the Czech Republic 'smoother' and 'easier' for newly arrived migrants. By searching the membership list of the website (by occupation), e-mails were sent to over fifty individuals, bypassing HR gatekeepers and securing approximately ten expressions of interest. Additionally, by posting a request for assistance on the main discussion board located on the website, along with my contact details and affiliation, individuals that may have escaped direct e-mailing could read about the research in further detail and make their own decisions concerning participation. This method accounted for approximately twenty of the interviews used in this study, an approximate response rate of 15-20%. In addition to demonstrating the usefulness of the internet as a methodological technology, that served to break down what could be termed the 'tyranny of distance' present within this research, advertisements were placed in 'Focus', the trade magazine of the British Chamber of Commerce, which was intended to target corporate personnel. The final tactic for finding research informants centred around 'snowballing', or making use of an established contact's web of personal associations (Donovan 1988). For example, one interviewee, an Austrian banker, said that I should contact a British TNP who runs a website (<http://www.prague.tv>) specifically geared towards expatriate life in Prague. I had been unable to contact this individual by e-mail prior to my research visit, and once telephoned he was more than happy to help, especially when I mentioned our mutual acquaintance. There were several other occasions where such possibilities occurred. One of which led to me being given a guided tour of a gated community, another in which I was invited to the *Velká Parbudická* [lit. The Great Pardubice] Steeplechase³⁰ and another time where an informant invited me for drinks and said that when I returned she would 'hook me up' with her friends who live in a gated community development in Prague 6. Such 'snowballing' in addition to providing new

²⁹ Available online at <http://www.expats.cz> [last accessed 05/03/07].

³⁰ This particular horseracing event occurs annually in the town of Pardubice, some 70 miles from Prague and is a significant event in the expatriate calendar.

contacts and fieldwork opportunities, also provided significant insights into the interconnectedness of TNPs in Prague.

By adopting a reflexive and tactically driven approach consisting largely of advertising within the English language media, and also by posting flyers in established TNP spaces in the city, the range and diversity (in terms of race, gender, occupation and sexuality) of my interviewees was greater than I could have hoped if the initial strategy had been more successful. For example, as is the case in the UK, the corporate workplace in the Czech Republic is still perceived as being the preserve of white, male professionals³¹, whereas approximately one third of my interviewees were female. A total of 32 in-depth interviews lasting between 45 minutes and 2 hours were conducted. A summary table of the informants can be found in Appendix 1, whilst brief biographies can be found in Appendix 2. Additionally, the tactical approaches employed in contacting potential subjects, provided an array of informants with different national backgrounds (again see Appendices 1 and 2). Whilst the majority were British (39%) and American (19%), individuals from Australia, New Zealand, Germany, Austria, Finland, the Philippines, Fiji and Canada were interviewed, as well as TNPs working within smaller companies or as entrepreneurs who were not listed within the trade directories consulted initially. As has been indicated in Chapters 1 and 2, the nature of my research informants was likely to be somewhat different to those interviewed by Beaverstock (2002, 2003, 2005) and McDowell (1997, 1998), given the fact that Prague is by no means a centre of global economic command control. Therefore it was expected that the informants as a group would have a markedly different profile and, in terms of nationality, gender, sexuality and career histories, this proved to be the case. Of particular relevance is the fact that many of the longer term residents (having lived in Prague for 5 years or more) had in fact left the corporate career stream and had set up their own companies, providing an insight into the role of the stickiness of place in the everyday lives of TNPs³². The next section discusses the interview schedule that was created and distributed to all informants prior to the interviews, and following on from this will be a discussion of the role of positionality and reflexivity in undertaking the interviews.

³¹ Although this situation is improving slightly.

³² This will be explored fully throughout Chapters 5, 6 and 7.

3.2.1.2. *The Interview Schedule*³³.

In order to make full use of the time available, the intention throughout was that each interview conducted covered as much depth and breadth as was feasible. The first section of the interview was concerned with the life histories and personal biography of the interviewee, and looked at the career trajectories of the individual in question as well as how they have coped with the experiences of living in a foreign country. This first section was intended to find out the ways in which the interview subjects could be considered 'transnational', and the career histories were important in answering this question. The first substantive section was concerned with the interviewee's leisure and consumption practices. The individual's experiences and perceptions of the retail environment, as well as their social and leisure activities were important in studying the various narratives of exclusion present within urban spaces, and in (re)constructing and interpreting their everyday lives. As well as the actual *physical* use of space by the transnational professionals being interviewed, the concept of exclusionary social networks was also interrogated by asking who the interviewees tended to socialise with, and whether they use any formal or informal mechanisms to do this, such as business or social clubs. This adds a further dimension, aside from the material spatialities of exclusion, as the data have been used to study the concept of the 'social enclave', which consists of a very tightly knit community of foreign workers, almost totally detached from the place based specificities of urban life in Prague. The second major section of the interview was concerned with the informant's perception of the housing and real estate markets of the city. This allowed for an analysis of the potential problems and opportunities that foreign professionals have in accessing local real estate markets, as well as finding out where they lived and where they perceived the main residential areas to be located that are home to other transnational professionals. The interview questions outlined in Chapter 1 are part of the general interview that was undertaken with all willing research subjects. Due to the flexible nature of the schedule, the intention was that should an informant be particularly informative regarding a specific section of the interview, this section would be expanded in order to take full advantage of the informant's specific knowledge bases (e.g. in one interview with the

³³ The Interview Schedule can be found in Appendix 3.

Chairwoman of the British Chamber of Commerce in Prague, the decision was made to concentrate on 'doing business' in the Czech Republic as opposed to more general questions of everyday practices, given constraints on time).

3.2.1.3. Reflexivity and Positionality.

Issues relating to the positionality and reflexivity of both the researcher and the research subject have been given significant attention in feminist, post-colonial and post-Marxist discourses within human geography (Gibson-Graham 1994; Haraway 1991; Herod 1999; Kobayashi 1994; Merrifield 1995; Mullings 1999; Rose 1997). One of the key concerns within the sizeable body of literature has been the complex power relationships between the researcher and his/her research subject. Rose (1997) has looked at how a researcher's multiple identities (e.g. race, nationality, gender, social and economic status and sexuality) impact upon the practical collection of 'data' in the field. Such considerations are largely irrelevant when performing secondary data collection or conducting survey based empirical studies, which place the researcher at a deliberate distance from his or subjects to maintain objectivity.

The importance of recognising one's position in relation to the research subject, allows a deconstruction of the qualitative data collected in the interview, potentially allowing for more nuance and reflection. Indeed, the relationship between the researcher and the researched should be 'made visible and open to debate' (Gilbert 1994). By making one's position visible both to oneself and to the research subject, the positionality held by the researcher can be reflexively analysed in order to problematise the research process. Herod (1999), for example, has noted that the age of a researcher may be important: older researchers may be perceived as being more important within cultures that equate age with status, whilst if the research subjects are significantly younger than the researcher, he or she may be perceived as 'being out of touch' with certain issues. He also raises the important point of the researcher's positionality within academic power relations and how these may shape the research process and practice. For example, the status of the institution you are representing in the field could provide very differing perceptions of you as a researcher. An additional problem involves how to classify your academic

position. Are you more likely to gain access or higher quality data if you style yourself a 'sociologist' as opposed to a 'geographer' or a 'political scientist'? Such questions add yet further layers to the already complex power relations that exist between the researcher and the subject.

The easiest way of dealing with these issues was to be completely open about personal and institutional backgrounds in order to foster a degree of trust and openness between myself and the informant. In this way, the research subjects were aware of who was researching them and why they were being selected for the research. Such concerns can often be tackled prior to the research being conducted, by circulating (as in the case of my research) an interview schedule, outlining the aims of the research as well as paraphrasing the kinds of questions the informant will be asked. This served not only to prepare the informant for the interview in terms of knowledge, but also to inform them about their role in the research and what was expected of them in terms of the transfer of knowledge.

The issue of positionality is often constructed as a simple 'insider/outsider' dualism, whereby researchers viewed as being 'insiders' by the informants are often subject to more information (see Dyck 1993). Such a dualism often privileges the position of being an 'insider', or of being *perceived* as an 'insider', as the researcher is seen to have an advantageous position as regards understanding the processes, histories and events as they unfold within the research environment (ibid). There are two issues that must be highlighted when considering this assumption. Firstly, it assumes that a duality between insider and outsider actually exists whereas, the researcher often falls somewhere between the two. For example, the researcher may consider him / herself an insider in terms of knowledge, class or race, but may well be an outsider in terms of the experiences had by the research subject. Secondly, the assumption of being an 'insider' as being more useful than being an 'outsider' is by no means universal. For example if you are an 'outsider' in the research environment, it may allow you a degree of objectivity that can be seen to add rigour to the research, especially when used in conjunction with a nuanced understanding of the power relations existing between the researcher and the research subject.

In the case of my own research, the interviews were conducted with a diverse group of people from a variety of different nationalities, personal backgrounds, genders and sexual orientations, which indicates that the group of TNPs was markedly different from those studied in other research on 'elites' and as such offers new insights into the heterogeneity of TNPs. With such a diverse group of individuals, it was impractical to tailor ones interview style to each interviewee, as very little was known about each individual prior to the interview taking place. Therefore every interview was seen as a 'tactical encounter', where the primary objective was to obtain as much information as possible without the task becoming onerous for the informant. Additionally, if the interview was tailored to each individual, comparison between the qualitative data collected would be almost impossible, and as such would lack rigour and replicability. The most practical approach from my point of view was to tailor the structure of the interview to what I knew about the group of people I was interviewing as a whole. I was aware from previous studies (see Beaverstock 2002) that many TNPs are generally well educated, highly mobile and, risking generalisation, middle-class individuals. Such assumptions were useful as the interviews could be set out in ways that were likely to be most effective to both parties involved. Despite the necessity of preparing for interviews, by being strategic and holding certain assumptions about one's informants, it was not possible to predict everything, again asserting the importance of thinking and practicing 'tactically' in the field. Therefore, a more tactical and ad hoc approach to the interview was often necessary, especially when, during interviews, some individuals made racist comments or hinted at endemic municipal corruption, the largest amount of preparation cannot prepare you in advance for such events and have to be dealt with and managed 'on the wing'.

In terms of the 'insider/outsider' dualism discussed previously, my situation and positionality fell into neither of these categories. As a postgraduate student, it would have been assumed by my informants that I was university educated, British and middle class (however (in)accurate that may be). Such conceptions tended to match my *prima facie* assumptions of the individuals that I was interviewing. Therefore, it could be said that I could have been thought of as an insider in terms of education, nationality and social status. However, I may have

been thought of as an 'outsider' because I was relatively unfamiliar with the issues I was researching in an experiential sense, and had very little experience of living in a post-socialist *globalising* city such as Prague. The fact that I was viewed as an 'insider' in terms of nationality with any British respondents, interviewees of other nationalities would have also shared the place based sense of being an 'outsider' and it was hoped that a degree of empathy would have developed allowing me to gain more research contacts. In other words, the shared feeling of being an outsider in a foreign country actually helped, and was beneficial to the research process, without impinging on the necessary ethical norms or the need for transparency in the research process.

Additionally, the venue of an interview was potentially significant as it could have affected the comfort and confidence of both the interviewer and the interviewee. Throughout the research I left such issues to the interviewee as it was important that they would choose a venue in which they would feel comfortable, relaxed and willing to talk. This meant that several interviews were carried out within the informant's place of work, some were recorded over lunch and several were carried out in wine bars. The latter interviews proved particularly insightful as they allowed a certain amount of *ad hoc* participant observation to occur, both during the interview and after, by illuminating the social practices of certain informants. Whilst the deferral of locational choice placed the informant at ease and encouraged a sense of informality and confidence, it raised several practical concerns. Firstly, it was much more complicated to conduct an interview in a busy restaurant than in a quiet, corporate meeting room. As all interviews were recorded, it meant that the transcription process took more time as the recording quality was not as high, and interviewees often felt self-conscious, especially as the recording equipment was produced. These issues I believe were unavoidable in conducting this research, and the initial self-consciousness several interviewees demonstrated soon dissipated and few signs of nervousness and anxiety were noticed. The next section will focus upon my attempts to use the diary-photo diary-interview method, concentrating upon the problems that were experienced and how they were negotiated.

3.2.2. From the Diary-Photo Diary-Interview (DPDI) Method to, 'a typical day in the life of...'

In order to complement the qualitative data collected through the semi-structured interviews, it was intended that each interviewee would be asked to keep a diary of their everyday life for a week after the interview had taken place. The rationale behind this was to draw out in depth the everyday practices and spatialities of the individual, in order to illuminate the micro-geographies of social exclusion that the research informants are embroiled within. Latham (2003a, 2003b) has used such a method to unravel the everyday practices of residents of Auckland, New Zealand. The diaries were used in this case to track the changing nature of New Zealand's public culture from one of 'Calvinistic masculinity' to one of 'cosmopolitan urbanism', encapsulated by one of Auckland's streets, Ponsonby Road. This methodology was also used to bring a certain performative element into research practice, by letting the informants become the researchers themselves. Such an approach is emancipatory to the researcher, as it elides many of the apparent complications (e.g. asymmetrical power relationships, positionality, nationality, class and gender) from the research process, as each informant provides an individual account of their everyday life, without constant external prompting from the researcher. However, there are potentially a different set of complications present within such a method relating to the fact that the researcher has very little, if any, input into the research practice. Whilst it could be argued that the re-centring of power within DPDI is beneficial, it could also be argued that such a displacement of power is in fact potentially damaging to the research in that it removes the researcher from direct involvement. In addition to providing a day-to-day account of the experiences and social lives of the informants through written text, participants in Latham's research were furnished with a disposable camera with which to take photographs of events throughout their week, thereby enabling visual and semiotic analysis. The research diaries were intended to provide valuable depth in gaining an understanding of the everyday, which can be used to complement more 'rigorous' semi-structured interviews and in-situ research.

The benefits of using such a method as a way of interrogating the day-to-day practices of TNPs and the complexities of their life-world (see Buttimer 1976) are significant, serving to provide a detailed account of the mundane and taken-for-granted aspects of everyday life. Replicability would be introduced by briefing each willing diarist in the type of things that he or she could record within the diary. It is important, however, in order for this methodological tool to retain its character, that any guidelines should not be overly stringent, as restrictions could serve to remove the freedom that the DPDI method offers to the researcher and the research subject. Latham (2003a) has also combined the DPDI method with the time-geographies of Torsten Hägerstrand (1982) as a way of mapping the time-space paths of the individuals he studied in Auckland. The time-space graphs of Latham were formed using a 'bricolage' of respondent's diary entries, their photographs as well as material from his own interviews to provide a methodologically triangulated representation of an individual's everyday life and practices. In this research, such information was to be used to map the areas of the city frequented by both TNPs and myself, and ascertain whether or not the everyday practices involved were serving to reproduce a distinct set of spatialities.

The version of the method adopted here differed from Latham's in several ways. Firstly, the research subjects were asked to write the diary *after* the interview took place. This was a largely practical consideration, as it allowed me to introduce the concept of the diary during the interview and make enquires as to whether the participant would be willing to write it. This seemed a sensible strategy, as many potential respondents could have been unwilling to commit to writing a week long diary as well as an interview, whereas this approach at least guaranteed, or made more likely, the collection of interview material. Reversing the ordering of the process meant that I, at the very least, obtained an interview, whereas if the diary concept dissuaded a research subject from being involved *ab initio*, the possibility of conducting an interview would also have been lost. The second difference is that I did not ask any respondents to supplement their diary with photographs. Although the photographic element adds a useful aesthetic, visual and intertextual quality to the research, the nature of my interviewees meant that their free time was likely to be limited, and the use value of photographic material was deemed negligible when compared to the

risk that such an undertaking had in dissuading a potential informant. Due to the significant temporal undertaking involved, the participation rate was expected to be extremely low, although the number of such diaries required for the research would not have needed to be too numerous, aiming only to provide a selection of insights into everyday life, focusing upon depth and richness of information rather than a breadth of 'shallower' information.

Unfortunately, during the pilot study undertaken in October 2004, no interviewee agreed to complete a diary as they were either too busy, or, as in most cases, they deemed that they had nothing interesting to write about. In overcoming the fact that no informants were willing to write their own diary, it was necessary to devise an alternate strategy to convey some of the depth that had been lost. The most immediate way of achieving this was to build an extra section on to the interview itself, focussing explicitly upon the informant's 'typical day'. This enabled at least an understanding of the timespace pathways and everyday practices of the informants, that served to complement other material relating to social and place making practices, without encroaching upon the little spare time that many interviewees had available. In addition to supplementing the interview schedule in this way, it was necessary to add some further 'texture' to the process, and this was achieved through photography of certain sites, spaces and places that were mentioned by informants. In addition to photographing 'key sites', I also took inspiration from Maspero's (1994) *Roissy Express*, in which the author travelled through the Paris Metro, keeping a photographic and ethnographic account of his observations at each stop. By adopting the a similar strategy to Maspero, it was possible not only to develop a broader understanding of the materially differentiated landscapes of Prague, the process also enabled an understanding of the specific *places* within the city.

3.2.3. *In-Situ Ethnography and Participant Observation.*

Ethnography is classically thought of as the 'traditional' study of far-flung places, usually providing the underpinnings of an anthropological monograph. It is based on first hand fieldwork, employing participant observation and other methods to convey the inner life and texture of a particular social group or place. Central also to the concept of classical ethnography is that it should be

conducted over a prolonged period of time, ranging from several months to several years in some cases (see Geertz 1973). Certain examples from the late 19th and early 20th century can be seen as promoting imperialistic and racist discourses (Ripley 1899)³⁴, although contemporary uses of ethnography are generally more conscious of such dangers. Ethnographic approaches are usually characterised by the use of cultural relativism whereby ethnocentric and imperialist discourses of racial superiority are discarded in favour of understanding the host culture comparatively and holistically. When compared to other research methodologies within the social sciences (c.f. questionnaire surveys, survey analysis and secondary data interpretation), ethnography aims for depth of understanding as opposed to breadth of coverage. A by-product of this is that ethnographic methods are often criticised for not being 'representative', but as Mitchell (1983) has written, such an accusation assumes that inferences should be made using the norms of statistical analysis rather than inferences drawn from logic or comparison. The use of triangulation within and between ethnographic studies (see Lincoln and Guba 1985) has been used to increase the credibility of research, and indeed triangulation between an ethnographic study and other research methods serves to strengthen the validity of each of the methods used. The extra depth afforded to a research project by employing ethnographic methods can be used to add a significant amount of texture to a study using interviews and secondary data, whilst the use of these other methods can add further breadth and context to the ethnographic enquiry (see for example, Burawoy (1979, 1985; Burawoy and Verdery 1999).

The use of ethnographic methods outside the discipline of classical anthropology has been widespread, being pioneered by the Chicago School (Anderson 1961 [1923]; Donovan 1929; Firey 1947; Park et al 1925) of ethnography in the 1920s. The School was pioneering as it was the first body of researchers who employed ethnographic methods in both an urban and a 'Western' context, using their observations to construct research monographs of those living on the edge of 'civilised' society as well as the now (in)famous models of urban structure. More recently, geographers such as Phil Crang

³⁴ A useful critique of the politics implicit within certain forms of ethnography can be found in Hardt and Negri (2000).

(1994) have used similar methods as a way of studying the complex geographies of display, sociality and the everyday within the workplace. Parry (1998) employed a similar rationale in accessing corporate elites within the biotechnology industry, as has Schoenberger (1994) in her research into the internal politics of corporate and personal identity within MNCs.

Yeung (2003) has discussed the role of in-situ research (which he believes is the vanguard of ethnography) within 'new' economic geographies and how it can be used to, "...understand the material and discursive constructions of actor identities and voices" (ibid: 451). This works with the understanding that 'new' economic geographers seek not to privilege a dominant voice within, or outside of, the firm. Instead, Yeung notes, it is the contestation and negotiation of this dominant voice or identity that becomes vital in the understanding of the diverse processes, interactions and power relationships that occur within a firm. Such a methodology, I believe, should not be limited to the firm or company, as in-situ research has a greater potential in understanding the economy in a broader context. The 'thick' descriptions of people, culture and society that ethnography allows (see Miller 1997), provides a degree of depth and texture that was lacking in traditional economic geography that too often conceptualised the field of study as an external monolith or a 'black box' to be studied at a distance. Additionally, Yeung argues, 'being there' promises not only more *reliable* data through experience and direct observation, but also more *valid* data from observing the subtleties of economic and social behaviour. Such an approach also allows the researcher to be more reflexive about his or her construction of knowledge of the subject being investigated.

The use of ethnographic methods in this thesis engages with, and serves to deconstruct, the question of how the lives of TNPs impact upon the cities and host society in which they live. My own (re)articulation of ethnographic methods consisted of spending several months living in the city of Prague and attempting to socialise and embed myself within the spaces occupied by TNPs, by frequenting certain 'hangouts' and social spaces. Such a process provided me with some very practical knowledge of what it is to be an 'outsider' in a foreign country, and provide insights into how such individuals adapt to, and cope with, the foreign environments in which they live. Through living and observing the

city from the 'inside', it proved possible to construct a 'bottom up' understanding of the lives of TNPs and the urban space in which they live, based inferentially upon my own experiences. These experiences were recorded in a field diary written during my research visits (October 2004 and April-May 2005) that acted both as an informal and *ad hoc* account of my research findings, but also allowed me the scope to reflect upon interviews and reflexively analyse all parts of the research process. Entries were made at the end of each day in the case of my day-to-day ethnographies, and after every interview in order that my observations did not become tainted in any way by lapses of time or memory. The field diary provided a qualitative background to the more specific nature of the semi-structured interviews, and when combined with secondary data analysis, created a rich and multi-layered methodological approach.

Aside from such concerns as keeping a research diary, field research was conducted within a variety of bars, restaurants and leisure spaces within the city. Having already had the opportunity to engage socially with several of my interviewees, the relevance of doing such research comes to the fore. Merely the process of living in somewhere like Prague provides a researcher with a wealth of experiential material that placed him/herself within the immediate context of the research, as well as adding layers of memory, nostalgia and emotion that can only serve to enhance the quality of a research project examining the everyday lived experiences of the research subjects. Indeed, by gaining an understanding of the role of memory and nostalgia in the production of certain places, it is possible to rethink place making practices as complex articulations of personal identity and difference. The research undertaken socially in the main TNP 'hangouts' proved useful, especially as I was an outsider in the city, and could relate in some capacity to a need for interaction with other English speakers. It allowed me to study the concepts of cultural globalisation and socio-spatial exclusion on the ground, and provided significantly more depth and nuance than can be abstracted by secondary data analysis and 'research-at-a-distance'.

3.2.4. Secondary Data Analysis

Since the realisation of the 'cultural turn' within human geography the relevance and importance of quantitative data has seemingly declined, with qualitative methods now seen as 'the new orthodoxy' (Crang 2002). Yeung (2003) has noted that whilst quantitative approaches are rigorous and the results can be empirically tested, for example by employing regression analysis, it lacks reflexivity and validity in the 'new' economic geography. Whilst quantitative data does tend to separate the researcher from the researched, meaning that the research *subject* becomes the research *object*, the use of secondary data can be used effectively, especially when used to demonstrate regional inequalities and foreign direct investment (FDI) flows. Such data, however, can be misleading. For example, Smith (2004) discusses how the NUTS³⁵ territorial classifications used by EU member states differ nationally in implementation for political purposes, and how such classificatory forms can impact upon EU structural fund assistance. Despite such problems, if used with a recognition and discussion of a data set's limitations there can be few serious problems regarding either rigour or validity. Census data for example has been criticised in various ways (e.g. the modifiable areal unit problem (Openshaw 1984)) in terms of mapping the data, although it is widely regarded as a satisfactory starting point for situating a research project, conducting exploratory research or for situating qualitative data within a wider frame of reference.

The role of secondary data in this thesis was to provide a wider context to the depth driven qualitative material by outlining the economic globalisation and internationalisation of the Czech Republic since the collapse of communism in 1989, and the 'Velvet Divorce' from Slovakia in 1993. The economic liberalisation and Westernisation of Eastern Central Europe has had a significant effect upon the industrial, employment and social lives of the region's population (Gowan 1995). These effects can be examined using a variety of information taken from census data, independent reports by supranational governmental organisations (e.g. OECD 1994; 2001), or reports by national government departments (Ministry for Regional Development 2003). Such reports can be used in studying labour market change, industrial restructuring,

³⁵ Nomenclature of Territorial Units for Statistics

the international financial architecture, as well as the role of foreign direct investment in restructuring the regional economy. Secondary data provides a useful way of setting into context, and embedding the qualitative research within a broader framework of reference, paying deference to various issues of scale and representation. The analysis of variables such as rates of unemployment, the occupational structure of the labour force, wage levels and industrial restructuring serve to position and locate qualitative data into a wider setting that can be used to support and valorise the use of qualitative research methods.

In addition to the Czech Statistical Office, which provides a wealth of national and regional (NUTS II/III) level data, supra-national governmental institutions such as UNCTAD (2005) and UNESCO (2004) provide valuable datasets regarding foreign direct investment and economic/social inequality respectively. Additionally, Czech government institutions provide data relating specifically to their area of expertise, be it the housing market (Ministry of the Interior – <http://www.mvcr.cz>), regional development (Ministry of Regional Development – <http://www.mmr.cz>) or employment and industrial change (Ministry of Labour and Social Affairs – <http://www.msvp.cz>). Intra-regional data (for NUTS IV and NUTS V units) is much harder to find than regional, national, or international data, and makes small scale secondary data analysis challenging, especially when operating on a small budget. The changing housing markets of Prague have also been examined, by collecting house price data and rental values from a variety of different real estate agencies operating within the city. The following section will outline the processes through which the empirical material was collected and analysed.

3.3. ANALYSING QUALITATIVE MATERIAL.

Much of the empirical material presented within this thesis stems from in-depth semi-structured interviews with individuals who were contacted via mechanisms discussed in Section 3.2.1. Each of the 32 interviews was recorded (with the informant's prior consent) using a mini-disk player. Each interview was then fully transcribed in Microsoft Word and the name of the informant (and their employer if appropriate) was changed in order that the scripts are anonymised.

Following the transcription of each interview it was subjected to a close and critical reading alongside the interview schedule (see Appendix 3) in order to draw out general themes that informed the structure of the thesis. These general themes (housing experience, social networks and everyday life for example) were further broken down using 'axial coding' techniques (Strauss 1987) that were further informed by existing literature relating to everyday life and the global city, as well as by the lacunae present within this body of work. In addition to ascribing codes to the interview transcripts ('emic' coding) based upon background reading, it was vital to use as many of the ideas and concepts used by the informants as possible in discussing their everyday lives and experiences. Such 'etic' coding was important in analysing the interview material as it allowed recurrent themes stemming from the informants to be bundled together, in order to reflect upon the codes that I ascribed to the interview transcripts. The coding of interview material was performed using a combination of computer software (NVIVO and NUDIST) and manual techniques. This enabled the coded material to be sorted efficiently and reflexively, in order that it could be used appropriately to inform the theoretical arguments made throughout the thesis.

In addition to the qualitative analyses undertaken on the in-depth interview material, similar methods of analysis were used on the field diary that was kept throughout my fieldwork visits to Prague in 2004 and 2005 and incorporated ethnographic observations and photographic records of key sites from my everyday life and those of the informants. The field diary provided a useful way of reflecting upon the interviews as they were undertaken, as well as acting as a record of my own experiences within the city and ethnographic observations. Diary entries were made at the end of each day while notes and photographs that complemented the diary were taken in an *ad hoc* fashion whilst in the field. The completed diary entries were then coded in the same manner as the semi-structured interview transcripts and served to inform the coding of both sets of material. Many of my own experiences recorded in the diary echoed those of the research informants, and therefore it provided a useful counterpoint, and one that was based upon direct experience. Key themes highlighted during the coding of interview and field diary material then formed the basis for the Chapters 5, 6 and 7, which each focus upon a different facet of everyday life,

namely the role of housing, social networks, and consumption spaces and everyday rhythms respectively. The next section will provide some concluding comments relating to the research process as a whole, as well as an outline of how the thesis develops over the following chapters.

3.4. CONCLUDING COMMENTS.

This chapter has situated the research process that has informed the thesis within broader methodological debates in human geography. By engaging with the various different ‘turns’ that have transformed the discipline, and by adding an engagement with the work of Michel de Certeau (1984), it has become possible to rethink the research process in terms of a dialectic between strategic *planning* and tactical *encounters*. In demonstrating the importance of being flexible and recognising the significant tactical reorderings that occur in the field, new insights have been developed into how research can be effectively practised whilst operating within rigid temporal and financial constraints. Additionally, the role of employing a number of different qualitative methodologies has been explored, bearing in mind both the practicalities of conducting research ‘in the field’ as well as broader issues relating to triangulation and data validation. Practically, the qualitative material has provided a depth of information into the everyday lives and micro-geographies of Prague’s TNP ‘community’ that would not have been possible if a more quantitative or ‘remotely sensed’ approach had been employed. In addition, the methods of access used and the informants themselves proved successful in providing further contacts, leads and ‘follow-up’ potentials that enabled a yet further understanding of the processes at work. The secondary data has also contributed to providing a rounded set of empirical material, particularly in Chapters 4 and 5, examining the historical and real estate geographies of Prague respectively.

The next chapter focuses upon the changing social and economic geographies of Prague since the formation of Czechoslovakia in 1918, paying specific attention to the urban transformations that have occurred post-1989. This will provide a spatio-temporal context for Chapters 5, 6 and 7, serving to outline how the geographies of Prague are intimately bound up with political economic

transformations, both in the transition *to* state socialism in 1948, as well as the transformations that occurred following the collapse of state socialism in 1989. Additionally, this context is vital in situating the everyday lives of transnational elites within the ever changing geographies of the city.

CHAPTER 4

SPECTRES OF (IN)EQUALITY: THE HISTORICAL DEVELOPMENT OF A 'POST-SOCIALIST' CITY.

But with the colours have come the Hogarthian scenes of homeless people, beggars, refugees, child prostitutes, high levels of crime and hard drug use, gangland shootouts and rampant corruption...As the grey socialist city passes away, it leaves behind buildings with damaged stucco, fallen balconies and peeling paint, streets piled with uncollected garbage, once clean and pleasant parks and public spaces full of the detritus of the capitalist city.

Andrusz (1996: 29)

4.1. INTRODUCTION.

The purpose of this chapter is to provide a historical account of the development of the city of Prague since the creation of the Czechoslovak Republic in 1918. This will demonstrate how the contemporary urban and social geographies of the city have been influenced by significant political and economic changes, notably the transitions *to* state socialism in 1948, and *from* state socialism in 1989, entailing as they did, significant paradigm shifts in the political-economic regime. The focus is on the changing socio-spatial (in)equalities within the city within the three historical periods covered, and demonstrates that the contemporary urban and social geographies are by no means 'new' but are historically constructed, and built upon the legacies of former historical periods. This will enable the empirical material presented in Chapters 5, 6 and 7 to be set in a wider geographical and historical context.

The geographies of the pre-communist city (1918-1948) shared many similarities (both spatially *and* socially) with the contemporary city of Prague, albeit under different geo-political conditions, and it is these inequalities that are vital in understanding the geographies of cities that display evidence of

neoliberalisation³⁶. This chapter will also focus on some of the key features of the socialist city, examining how spatial form was governed and (re)arranged by principles of state redistribution and equality³⁷, rather than by the increasing role played by the market post-1989. The first section of this chapter focuses on the period 1918 to 1948, when Prague changed from being a provincial city of the Austro-Hungarian Empire and became the capital city of the newly created Czechoslovak Republic. The second section deals with the geographies of state socialist Prague from 1948 to 1989, and the final section is concerned with post-socialist Prague, and serves to situate the following three empirical chapters contextually within recent research on global and world cities (Friedmann 1986; Friedmann and Wolff 1982; Sassen 1991, 2001).

4.2. EARLY CAPITALISM: 1918 TO 1948.

Some of the earliest literature concerning Prague's development as an urban centre in the twentieth century was written by Julie Moscheles (1920, 1937), a sociologist and geographer working at Charles University, Prague. Her work of 1920, *Prague: A geographical sketch of the town*, is very much a product of its time, being largely descriptive and concerning the historical development of the city during antiquity and the early modern period. The paper is particularly interesting as it discusses Prague's geo-political position between 1526 and 1918 as a provincial city in the Austro-Hungarian Empire, and its rebirth as national capital. Morphologically, the city was much as it is today, with the bulk of the urban area sitting on the Eastern bank of the Vltava River, and spreading West through the steep valleys of Břevnov and Šarka (Figure 4.1). The spatial extent of the town was however much less than the present day, with the city

³⁶In other words, evidence that the city of Prague is becoming more 'neoliberal'. It useful to invoke Peck and Tickell's (2002: 394-395) seven-fold schematic for understanding the changing nature of urban governance. This scheme hinged upon, (i) economic growth taking precedence over welfare, (ii) naturalisation of cities into market logics, (iii) competitive regimes of resource allocation and policies of deregulation and privatisation, (iv) licensing an extrospective, regressive and aggressive posture toward attracting investment, (v) a narrow policy repertoire focused upon urban regeneration, place promotion and coercion, (vi) a lack of forgiveness for uncompetitiveness, leading to neglect and abandonment, and (vii) the city becoming a key site of economic contradiction, governance failure and social fall-out. See also Brenner and Theodore (2002).

³⁷ Whilst notions of 'equality' are central to the ideological basis of state socialism, the reality was that state allocation and redistribution of capital and services were by no means distributed evenly across space, leading to what has been described by Meurs (1998, 2002) as being a state of 'imagined equality'. Therefore, whilst the mechanisms of redistribution (controlled by the state as supposed to the market) were markedly different, socio-spatial inequalities still existed.

extending as far as Wysocan (present day Vysočany) in the North, Žižkov and Vershowitz (Vršovice) in the East, Brewnow (Břevnov) to the West and Pankratz (Pankrác) in the South. Nowadays, these districts are largely residential areas, surrounding the historic core of the city. During the 1920s and 1930s when Moscheles was writing, these areas formed the edges of Prague's urban development, as the city had not yet subsumed the nearby villages of Jinonice and Butovice in the South and West, or Dejvice in the North (see Figures 4.1. and 4.2. overleaf).

Plate 4.1. Early Twentieth Century Apartment Housing in Vinohrady, Prague 2. (Source: The Author, October 2005)



The areas of Výsočany, Žižkov and Vršovice are referred to by Sýkora (1999a: 82) as a, “...thick belt of inner city neighbourhoods built from the mid-19th century to World War II”. During this period, new higher-status residential areas (such as Vinohrady, Plate. 4.1) were established and developed alongside working class districts (e.g. Žižkov), forming a patchwork of inner city districts of differing status, desirability and occupational class structures.



<u>KEY</u>	
I.	Staré Město
II.	Nové Město
III.	Malá Strana
IV.	Hradčaný
V.	Josefov
VI.	Vyšehrad
VII.	Holešovice
VIII.	Libeň
K.	Karlín
W.	Vinohrady
Ž.	Žižkov
S.	Smíchov
C.	Dejvice

Figure 4.1. Map of Greater Prague 1920 (Moscheles 1920: 69)



Figure 4.2. Map of Prague's Cadastres (Český Statistický Úřad, 2004b)

In addition to discussing the geopolitical role of Prague, Moscheles goes on to discuss the physical form of the city as well as the ‘strength’ of each districts’ ‘social character’, which provides an extremely useful resource when considering the socio-spatial inequalities present within the city prior to the rise of state socialism. Moscheles uses two indicators that are of particular interest when forming a class analysis of 1930s Prague. The first is the number of domestic servants per 100 homes, and the second is the percentage of ‘workmen’ among the gainfully employed (see Table 4.1). Such indicators provide suitable proxy measurements of wealth, and social class that serve to demonstrate the social and spatial inequalities present during this period.

Table 4.1. Number of domestic servants per 100 people and percentage of workmen in selected areas of Prague, 1930 (adapted from Moscheles 1937: 426).

<i>Social Strength</i>	<i>City district</i>	<i>Domestic servants per 100 residents.</i>	<i>%age of workforce classed as ‘workman’</i>
Strong	Josefov	67	13
	Nové Město	33	33
	Staré Město	32	37
Average	Vinohrady	26	29
	Břevnov	11	50
	Holešovice	16	40
Weak	Karlín	23	36
	Žižkov	7	49
	Nusle	6	49
	Michle	3	64
	Malešice	3	71

According to the numbers of domestic servants, the ‘strongest’ area socially is the former Jewish ghetto of Josefov. Other ‘socially strong’ or wealthy areas were Stare Město (The Old Town), Nové Město (The New Town) and Vinohrady (part of Present day Prague 2). Such indicators provide a useful resource when

considering the historical development of socio-spatial inequalities within the city and the data show that in 1930, certain areas could be interpreted as being comparatively wealthy, whilst areas such as Nusle, Michle and Malešice were comparatively poor. Such conclusions align with the districts' comparative wealth today, under the political economic conditions of neoliberal capitalism. Indeed, current residential real estate prices are highest on a per m² basis in Prague 1 and Prague 2, which consist of the Stare Město, Nové Město, Josefov and Vinohrady (See Chapter 5). The data presented in Table 4.1. allude to the nature of differential wealth and the levels of socio-spatial exclusion/polarisation in the pre-socialist city, with significant variations in wealth and occupational structure between the different cadastres. Moscheles (1937) goes on to discuss the economic activities present within Prague's districts highlighting the fact that the areas with the highest percentage of people employed in 'commerce' can be found in Josefov, Staré Město, Nové Město, Vinohrady and Karlín.

These districts also had the lowest average levels of individuals employed in manufacturing within the city, and is a useful demonstration of the spatial variations in employment types present before the rise of state socialism³⁸. Conversely Vysočany, Malešice, Radlice and Libeň (containing the now derelict, but redeveloping Prague docks³⁹) had the greatest percentage of people employed in manufacturing and the lowest percentages employed in commerce. This socio-spatial differentiation of occupation corresponds strongly with the data on household servants and percentages of 'working men', demonstrating the clear divisions within the city during the 1920s and 1930s. This provides some useful information about not only the industrial and economic structure of the city, but also the potential for class divides and contradictions that would make the city and Czechoslovakia a prime target for the imposition of communism via a Moscow driven coup in 1948 (Mamety and Luža 1973).

As can be seen in the brief discussion of the pre-war and pre-socialist urban geographies of Prague, the city was divided economically and socially. Indeed, Prague displayed all of the qualities you would expect of a capitalist city - social

³⁸ These districts are nowadays favoured as places to live by both the emergent Czech middle classes and expatriates.

³⁹ See Chapter 7 for a critical engagement with the regeneration of Karlín and Libeň.

differentiation, concentric development of morphological zones, differential land values and an industrialised economy. The circumstances leading up to the imposition of a Communist government in 1948 had much to do with the occupation of the Czech lands by Nazi Germany during World War II, and their subsequent liberation by the USSR. Indeed, the electoral success by the Czech Communist Party (KSČ) in the 1946 elections combined with increasing pressure from the USSR in 1947 and 1948 to reject the Marshall plan and Stalinise, led to a rapid implementation of policies aimed at transforming and normalising the country into a Communist state (Mamety and Luža 1973). The next section concerns the state socialist period and the development of Prague between 1948 and 1989.

4.3. STATE SOCIALISM: 1948 TO 1989.

Following the communist coup of 1948, Czechoslovakia entered a long era of state socialism that was to have profound effects upon the spatial form of Prague. There is a significant literature discussing the urban morphology and ecology of the socialist city (Carter 1979; French and Hamilton 1979; Hamilton 1993; Smith 1996), and it is useful here to discuss first the urban form of the socialist city generally, as well as some of the processes that operate within such a city, in order to compare the processes and spatialities occurring within contemporary and pre-socialist Prague. As David Smith (1996: 71) points out, "...if there is a socialist city, it is simply that regimes [were] committed in principle...to some form of socialism [that] produced cities which are different from those in other kinds of society". Smith goes on to suggest that the real way in which the socialist city differs from the capitalist city is in the way in which factors such as neighbourhood units (e.g. the Soviet *mikroraion*), centralised land use planning and a reliance on public transport, are given primacy by state planners and leading communist party *nomenklatura*. The centralised nature of urban planning afforded the state much greater control over the urban system than in the contemporary Western capitalist city, which develops under the influence of market conditions alongside state regulatory and planning bodies (see Brenner and Theodore 2002). The focus under state socialism was on the delivery of a wide range of social services as a mode of collective consumption, in addition to the detailed planning of productive forces in building the economy.

The role of public transport was afforded a high priority in allowing swift access for all people to places of work, leisure and the home. Demko and Regulška (1987) outlined what may be seen as the 'ideal type' socialist city, making links between ideology and urban form. They focused on the abolition of private property, the removal of privileged classes and the application of Marxist principles of equity, and the significant effects such approaches have on urban forms. Housing for example, was to be non-differentiated and allocated on a non-discriminatory basis, and the quality of, and access to, public and social services was to be equal for all, as was access to recreational and leisure spaces. Such thinking was difficult to put in place practically by socialist governments and state urban planners, due largely to the historical infrastructure of many of the largest urban areas in ECE. Cities such as Moscow, Budapest, Warsaw and Prague had well-established historical morphologies and housing structures, and there was differentiation between these cities, due to the levels of destruction during World War Two. Prague for example escaped largely unscathed, aside from a misdirected Allied bombing raid that mistook the city for Dresden. Prague's historical core had remained intact, so the planners turned their focus to the physical expansion of the city periphery, as well as to nationalising and redistributing private property, especially in areas viewed as being bourgeois, such as Prague 1, Prague 2 and Prague 3.

The important body of work by French and Hamilton (1979), specifically Hamilton (1979: 195-261), served to map spatially and discuss the morphology of the 'typical' socialist city (see Figure 4.3. overleaf). Hamilton discusses the various zones of the city, starting with the historic core, in Prague the Staré Město, Josefov, Malá Strana and Nové Město. These cadastres of Prague contain many of the famous historical monuments of the city; Karlův Most (Charles' Bridge), Staroměstské náměstí (Old Town Square), Staroměstská Radnice (The Old Town Hall) and the Staronová Synagoga (Old-New Synagogue) to name but a few. Hamilton mentions the, "...inner commercial, housing and industrial areas from the capitalist period" (ibid: 227-229), and in Prague these areas consist of many of the districts and cadastres discussed by Moscheles (1920,1937) such as Vinohrady, Karlín, Libeň, Holešovice, Smíchov and Břevnov.

Of these regions, Vinohrady, Karlín and Holešovice could be described as middle class residential districts pre-socialism, with Libeň and Smíchov housing the aspiring middle classes and light manufacturing industries. Hamilton then goes on to discuss the spatial extent of three phases of socialist development; areas of transitional development and urban renewal where ‘modern’ construction replaced peripheral villages, areas of 1950s socialist housing, and the integrated socialist neighbourhoods of the 1960s, 1970s and 1980s.

Figure 4.3. A model of the growth of a socialist city (Hamilton 1979: 228).



Widespread physical redevelopment of the city centre and CBD did not occur to a great extent within Prague due to the historical legacies of capitalist development and the survival of the vast proportion of the city through World War Two, though there were isolated pockets in which new build projects were instigated. As Carter (1979: 428) argues, “...Prague seems to have missed the worst effects of Stalinist architectural planning in the immediate post-war years...”. The city centre was also not relocated, but still focussed around Václavské Náměstí (Wenceslas Square), though under socialism the CBD lost much of its functional importance. Despite the lack of any physical Stalinist

development in the late 1940s and early 1950s within the city centre, there was a considerable social change. The nationalisation of private property, and the redistribution of this state property meant that the previously exclusive, desirable and high rental residential quarters of Staré Město, Josefov, Malá Strana, Nové Město and Vinohrady lost exclusivity, as market rent differentials were destroyed and working class residents moved in alongside middle and upper class families (see Musil 1968, 1987).

There was some construction of prefabricated, 5 and 6 storey apartment buildings during the 1950s in Prague, largely in the district of Vršovice. Such small scale Stalinist development contrasts sharply with the bulk of the housing in the area which is early 19th century. During the residential construction boom in Prague during the 1960s and 1970s, many archetypal socialist tower blocks or *paneláky* were constructed in peripheral and semi-peripheral areas of the city, and, at the national scale, contribute 1,165,000 flats and house a third of the population nationally (see Plate 4.2.).

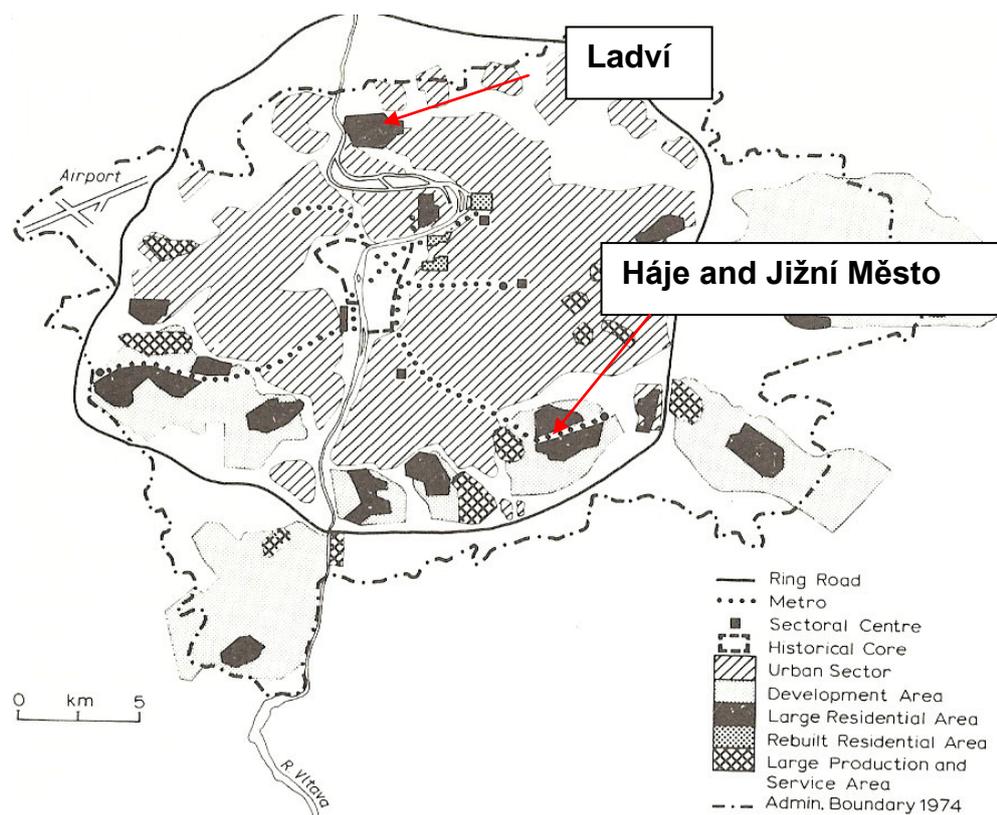
Plate 4.2. 1970s Paneláky in Haje, Prague 8 (left) and Ladví, Prague 11 (right). (Source: The Author, May 2005)



Such developments were serviced by an array of social and leisure facilities, ideally on a block by block basis. Each new housing estate had spaces for healthcare, schooling, socialising, retail, shopping and sports, connected to the centre of the city and to other housing estates by vast, reliable and heavily subsidised public transport networks. This concept of social housing and welfare provision was similar throughout ECE. One of the classic examples of

such a development is located in Bratislava, the present day capital of Slovakia, where the Petržalka housing estate is indicative of the scale of modernist socialist housing projects. In Petržalka, the classic spatial configuration of housing blocks was to have three large blocks of flats aligned in a square, with one side free from construction, and a social amenity in the centre such as a church, school, children’s play area or healthcare facility. The housing estates in Prague were constructed on the city’s periphery, the most typical and largest examples being the Jižní Město (South City) and Háje (‘Meadows’) in the South, and Ladví in the North (see Plate 4.2. and Figure 4.4). Construction of the Jižní Město began in 1970 following the normalisation of the communist party in 1969 and now houses some 82,000 people.

Figure 4.4. Prague: Revised General Plan, 1971 (After Carter 1979: 438).



It has already been mentioned that Prague’s medieval and pre-socialist form prevented large-scale inner city redevelopment, and it is partially the role of pre-socialist development that prevented true equality in housing and service provision. Musil (1987) discusses how the legacies of capitalist development led

to inequality under the socialist system, despite the homogenous nature of newly built state housing on the outskirts of the city. The attraction of certain historic areas of the city to certain groups of people, and the concentration of resource allocation into newly built apartment blocks, led to a two way mode of differentiation. Additionally, despite the horizontalising narrative and power structures of state socialism, favouritism was rife within the party structure as 'good' socialists were rewarded with better housing in favourable locations (Bradshaw and Stenning 2004). Such a system partially replaced market conditions with a different system of allocation in terms of housing, services and goods, based on a semi-formal economy of favours and a centralised economy of unequal bureaucratic allocation (Kornai 1992; Szelényi 1983).

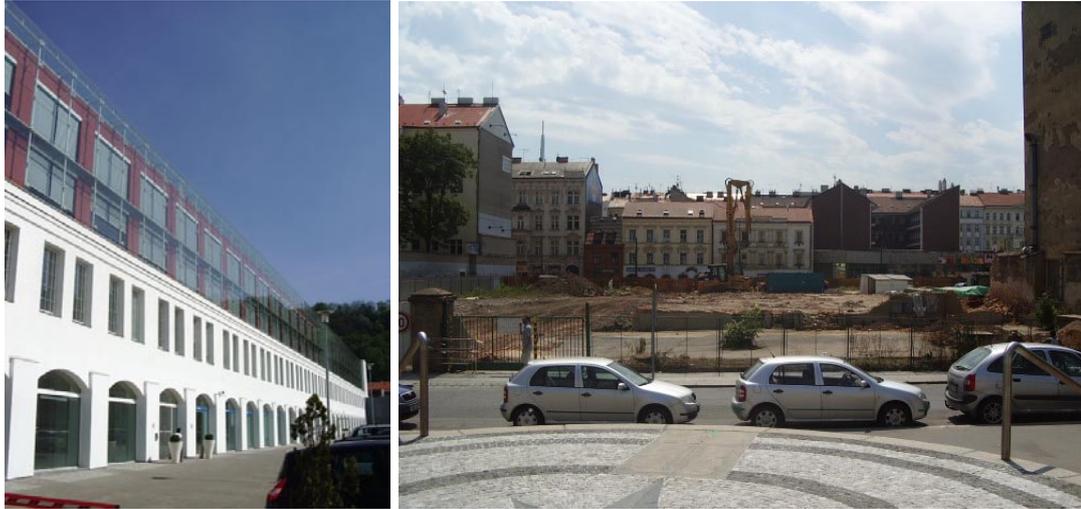
It is also useful to (re)focus briefly on the geographies of industrial development throughout state socialism, as the socialist system was reliant ideologically and practically upon the production of goods and materials. An understanding of the role of industry in urban areas is vital in understanding the broader social and economic geographies of the city, as industry often provided the basis for individual's livelihoods, class position and material well-being. Under state socialism then, the emphasis was firmly focused upon heavy industry: machinery construction, armaments, chemical production, mining and raw material extraction. In Czechoslovakia for example, the emphasis was on mineral and brown coal extraction in Northern Bohemia (Most, Chomutov and Ustí nad Labem (Pavlínek 1998), petrochemicals (e.g. Slovnaft in Bratislava), the armaments industry (e.g. in Martín, Slovakia (Smith 1998), and Pardubice in Bohemia) and automotive engineering (e.g. Škoda in Mladá Boleslav and Plzeň (Pavlínek 2005), and ČKD in Karlín, Prague 7). Such a strong industrial base again had origins in the brief capitalist period of development between 1918 and 1939, where Czechoslovakia was one of the most productive and technologically advanced industrial nations in the world. Following the defeat of Nazi Germany in 1945, and the election of a communist government in 1946, a two year plan was initiated to restore pre-war levels of production. Additionally, industry was nationalised forcing the closure of many smaller enterprises and the growth in size of state industries and production complexes. Production targets were centrally planned and quotas centrally allocated (see Berliner 1957; Granick 1954; Kornai 1959; Montias 1962; Zaleski 1980 for further

discussions), largely to be contiguous with demand in other socialist states and COMECON. The relevance of this is again in highlighting the (re)distributive and equality driven ideology of state socialism that via such underlying concepts promoted an ostensibly 'classless' society by limiting free market activity. Such processes contrast strongly with the current neoliberal orthodoxies of free market competition and the withdrawal of the state from industrial, residential and commercial activities.

Geographically, industrial premises and factories were often built near to, or with easy access to, residential areas that would house the workforce. The largest state companies would also provide social and cultural facilities such as cinemas, bars and theatres to the workforce (Domanski 1992). This could be seen as contributing to social differentiation as different state companies provided different benefits, with manufacturing industry often providing the most attractive benefits. In Prague, new state factories were built in the residential areas close to the city centre, in Karlín, Libeň and Vysočany⁴⁰. During the socialist era, these areas were the manufacturing centres of Prague, although Prague was by no means the industrial *centre* of Czechoslovakia. The policies of forced industrialisation of peripheral regions (Smith 1998), lack of differential costs (wages, rents, commodity prices) and an extensive system of railways suitable for freight meant that industrial production was widely spread throughout the country and not concentrated in the capital city. Interestingly, former industrial properties in major cities are now being subjected to significant redevelopment under neoliberal capitalism, being either flattened to make space for new brownfield construction, or converted into offices and loft apartments (see Plate 4.3 overleaf). The redevelopment of two such districts, Libeň and Karlín, will be discussed further in Chapter 5, as it raises questions regarding understandings of power relations, the ethics of property development and the increasing internal differentiation of the post-socialist city.

⁴⁰ These factories are currently in the process of being redeveloped into modern office space and luxury apartments (see Chapter 7)

Plate 4.3. Former Industrial Premises in Karlín, Prague 8. (Source: The Author, May 2005)



The next section discusses the diverse transformations that occurred with the city after the ‘Velvet Revolution’ of 1989, and how the return of liberal capitalism introduced different forms of social and spatial inequality to those present under state socialism. These inequalities have taken a variety of forms and have involved a complex set of transformational processes that set out to restore pre-socialist societal and economic relations. The main focus of the next section is on the diverse set of economic and social transformations, and the changes in Prague’s urban geography that they have affected. Particular emphasis will be placed upon the changing role of property ownership structures (see Chapter 5 for further elaboration), cultural globalisation, economic and employment restructuring and tourism.

4.4. PRAGUE AFTER ‘HISTORY’S END’: 1989 TO THE PRESENT DAY.

Since the fall of the Berlin Wall and the collapse of state socialism in 1989, cities in ECE have undergone a series of profound transformations (Sýkora 1999b). Indeed, cities are seen by many as being the key sites of post-socialist transformation (Harloe 1996; Smith 1996; Sýkora 1994). Additionally, as Stenning (2004: 89) notes, “...the sheer concentration of employment, economic activity, population and housing in major towns and cities means that the transformations ongoing in East Central Europe and the former Soviet Union are deeply and widely felt in urban areas”. So what exactly were these

profound transformations, and what effects have they had upon society and space in post-socialist cities? Whilst it is not necessary here to outline the minutiae of the Czech transformational process in any great detail, it is pertinent to consider how the (re)introduction of a (neo)liberal political-economic regime and its associated free market mechanisms have served to reconfigure the socio-spatial form of Prague. The emphasis placed by reformers, an emergent political elite and Western policy advisors on a need for a free market oriented and liberalised economic model led to a dramatic and rapid reconfiguration of space and society within the largest capital cities such as Prague. As Sýkora (1994: 1149) has argued, "...Prague is rapidly becoming a standard 'Western' city considerably shaped by forces of contemporary global capitalism". This urban 'Westernisation' is characterised by economic restructuring (in favour of the service sector), shifts in production patterns (from Fordism to post-Fordism) and labour structures (differential wages, flexibilisation), increasing internationalisation of financial, social and cultural capital, changing relations between the public and private sectors, as well as by increasing socio-economic inequality (ibid: 1151). Stenning (2004) has also discussed the role of cultural globalisation and the 'diversification of urban culture' (ibid: 94), which has provided residents of ECE cities levels of choice and diversity that was not present during the state socialist era (Hraba et al 2000). The next sections examine each of these areas briefly, and draw upon primary and secondary data sources, in order to examine just how 'Western' the *fin de millenaire* city of Prague actually was, and how this 'Westernisation' is compounding difference, inequality and polarisation.

4.4.1. Changes in Property Ownership Structure.

The complex transformational geographies of the Prague housing market will be discussed in depth in Chapter 5, but it is useful to provide a survey of some of the processes that have encouraged residential segregation and socio-spatial differentiation within Prague as part of wider transformational processes. The structures of property ownership have long been a source for analysing socio-spatial inequalities in cities since the publication of *The Communist Manifesto* in 1848 (Marx and Engels 2002 [1848]). The role of property ownership in the Czech Republic (and ECE/FSU more generally) is especially interesting as it

has undergone two significant transformations. The first was in 1948, with the introduction of state socialism, when industrial property and apartment housing was subject to nationalisation, whereby the rights of ownership were transferred from the individual to the state in an effort to horizontalise the pre-communist class structure. The second was in 1991 when industrial and commercial property was privatised (de-nationalised) and many units of state owned housing were restituted to their pre-1948 owners or their descendants. Within the city of Prague, the transformation of property ownership structures took three main forms; restitution, 'small' privatisation of small state owned businesses and shops, as well as a 'large' privatisation of industrial property and assets (Sýkora 2003; Sýkora and Šimoničková 1994).

Sýkora (1994: 1151) has noted that restitution has had, "...significant implications for a massive economic and social restructuring in particular city areas". In Prague 1 for example, 70% (of the 90% that was state owned) of the total housing stock was restituted, in Prague 2 (consisting of Vinohrady and parts of Nové Město), 75% was returned to previous owners. Within the other inner city neighbourhoods, between 35 and 65% of the housing stock has been subject to restitution (Sýkora and Šimoničková 1994). Apartment buildings in Prague's inner city were sold for between 2 and 20 million Czech crowns (£45,000 to £450,000 using 1994 exchange rates), and were highly sought after. Such a situation led to most of the centrally located apartments being rented out to foreign business people or on short term lets to holiday makers, as foreigners are not subject to rent regulation. This has had tremendous implications for the historic centre of Prague, as the heightened demand for office space has meant that many formerly residential properties have been sold by individuals to corporations seeking a presence within the city, as part of the 'post-industrial' economy. This in turn has meant the city centre and CBD has changed dramatically in functional form, away from the socially mixed and state owned housing of the state socialist era, toward a model contiguous with that of the 'Western' capital city where the CBD is reserved for offices, high order commerce and the wealthiest of residents, often working within the producer services sector (see Hamnett 1996). Indeed, the increasing levels of socio-spatial differentiation echo the fragmented and differentiated urban landscape that existed prior to World War II (see Section 4.2.). This social

'hollowing out' or 'excavation' of inner city areas, and the power of financial capital over social need, is one of the central tenets of neoliberalism (Peck and Tickell 2002).

This commodification of property was exacerbated by both the 'small' and 'large privatisation' of state owned enterprises which took place between 1990 and 1993. The focus here will be on the 'small privatisation' because it is seen to have had the most immediate impacts upon the city's built environment (Sýkora 1999b, 2003). The main aim of the small privatisation was to sell small state-owned businesses (shops, bars, restaurants and pubs largely), in order to encourage the growth of a sector of entrepreneurial small businesses. In the city of Prague, 2528 small businesses (amounting to just over 18% of the total value of small privatisation sales nationally) were auctioned publicly, and provided clear early indications of the development of differential land values within the city (Sýkora 1999b; Sýkora and Šimoničková 1994). Following the form of many Western cities, differential land values resulted in property values being highest in the centre and CBD, with prices decreasing towards the periphery and city edge. This created an ownership system that was based on ability to pay, and so wealthy individuals could afford to buy businesses (or apartments) in prime areas such as the city centre, including foreigners and expatriates who were allowed to take part in the second round of auctions, as they often had easier access to larger volumes of financial capital. For example, the presence of regional head offices in the streets surrounding Wenceslas Square (Prague 1) and the emergence in the 1990s of internationally prominent boutique clothing stores in the same area is clear evidence of this. Additionally, the emergence of Prague 1, 2 and 6 as 'TNP enclaves' (see Chapter 5) is again a useful indicator of the rise of differential spaces, based upon the ability to pay as well as an internationalisation of the city's population.

The key processes of restitution and privatisation have therefore significantly altered the social geographies of the city of Prague. The introduction of differentiated rental and land values as a result of economic marketisation has led to spatial inequalities based on the ability to pay. The restitution of property in the historic core and inner city areas had the effect of returning pre-socialist forms of ownership to the more privileged capitalist classes and their heirs, who

then often profited from selling apartment buildings as offices (see Bodnar, 2001 for a discussion of similar issues in Budapest; Smith 1996b). These processes have combined to create a spatially differentiated class mapping of the city, as well as a significant change in landuse function within central areas. This change in urban form has led to a decrease in the amount of residential property in the central parts of the city, which has not been mirrored by an increase in affordable apartment construction in peripheral and semi-peripheral areas by international real estate developers, or indeed the municipal councils (Alda 2008).

4.4.2. Cultural Globalisation.

Another key post-1989 transformation has been the 'Westernisation' of Czech popular culture that has been particularly prevalent in major cities and especially in Prague. The increased permeability of national borders after the fall of state socialism, and the improved informational infrastructure (international telephone lines, media liberalisation and internet access) that has been required to facilitate the expansion of the post-industrial economy has promulgated a significant shift towards cultural plurality *and* a simultaneous homogenisation. Stenning (2004: 94) talks of the 'McDonaldisation' (Ritzer 1996) of ECE and FSU society, and this process is all too evident in Prague. Such a process should not be seen to encapsulate the insertion of a single global corporation or brand name into what was an emerging and untapped marketplace, as McDonalds are by no means the only significant 'global' corporation to colonise the streets of Prague (even though there are now some 25 branches in Prague alone). The rise of the brand has coincided with the 'mallings' of the city (both in the CBD and in the urban periphery) and the introduction of brands as familiar as *Next, Marks and Spencers, H & M, Lancôme, Specsavers, Debenhams, Tesco, Pizza Hut, Subway, Hugo Boss, Mothercare, Montblanc* and *Hermes* (see Table 4.2).

Table 4.2. List of Stores Present in the Pasáž Myslbek Mall on Wenceslas Square, Prague 1 (May 2005)

Store Name	Store Type	Ownership by Country
Mothercare	Baby supplies	UK
Loewe	Electronics	Germany
Alexa Studio	Homewares	Czech Republic
Svět Letenek	Travel Agency	Czech Republic
Restaurace Jarmark	Restaurant	Czech republic
NEXT (x2)	Clothing	UK
Marks and Spencer	Clothing	UK
Delmas	Leather goods	France
Bibelot	Stationary/Gifts	France
Klenoty	Gold Jewellery	Czech Republic
Grand Optical	Opticians	France
Schiesser	Lingerie	Germany
The Phone House	Mobile telephones	UK
Gant	Clothing	USA
Kookaï	Clothing	France/UK
Vagabond	Clothing/Shoes	Swedish
Marc O'Polo	Shoes	Germany
One Way	Carpentry/DIY	Canada
Marlboro Classics	Miscellaneous	USA/UK
GigaSport	Sports goods	Czech Republic
BGN	Electronics	France
Tie Rack	Clothing	UK
CK Jeans	Clothing	USA
Body Basics	Cosmetics	USA/UK

Many of these stores, particularly at the luxury end of the market are located in the centre of Prague, and serve the requirements of an international and Czech elite, thereby excluding many average earning Czechs from certain parts of the city centre that were previously socially mixed and affordable to shop and relax in. The internationalisation of consumption practices in the city can be summed

up by an increase in the choice of international branded goods and products on offer, a clear indication of a massive increase in consumerism, the emergence of the commodity fetish and of a 'society of the spectacle' (Debord 1994) since the communist era.

Ethnographic research conducted by Hraba et al (2000), provides a fascinating tale of how internationalisation and the rise of the choice economy has affected the lives of Czech families during the 1990s:

There never was a similar choice in the past, no comparison...now you can get everything. In the past there were only queues. Today there is everything but...it is more expensive.

(Pavel, quoted in Hraba et al. 2000: 663)

The other day she [Jana's daughter] came and said that these are just ordinary jeans. They are not those she had heard about in an advertisement

(Jana, quoted in Hraba et al. 2000: 663)

All prices are rocketing and our wages are not corresponding to them

(Kamila, quoted in Hraba et al. 2000: 663)

Such high prices have been confirmed by a number of foreign professionals working in the city, who complained about the extraordinarily high prices in chain stores such as *Next* or *Marks and Spencer*. As Will⁴¹, an American real estate agent elaborated:

I think generally things are much more expensive in clothing and electronics than they are in the UK even and the US for sure. I think that's because there is such a small market of people who buy certain types of goods...You can buy a crap suit here for what you would by a Ralph Lauren shirt for in the States⁴².

⁴¹ The names of all interviewees have been changed to preserve anonymity.

⁴² Interview dated 25/10/04

This was confirmed by another American resident, Jack⁴³, who teaches History and Philosophy at an international school in the city:

My partner buys clothing in London. It's cheaper there to buy a pair of jeans and a pair of shoes than it is here...[Choice wise]...I don't think there's anything, now that Marks and Spencer has a food court where you can buy lemon curd, there is nothing in the city I can't buy.

The rapidly increasing levels of product choice, the rise of branding and commodity fetishism that is an outcome of cultural globalisation has resulted in the exclusion of many average-wage Czechs from buying clothing in these stores, and indeed in the CBD at all. It is interesting to note that highly paid (relative to Czechs) foreign professionals are going to Germany or London to purchase clothes, and one interviewee (the regional HR director for a global accountancy firm) purchases work clothes once a year in Australia to save money and get better quality (see Chapter 7 for elaboration). Such a process begs the question that if wealthy TNPs are not prepared to spend money on overpriced clothing in Prague, then local residents are even less likely to do so. Dick⁴⁴, a British telecommunications consultant and university professor confirmed how the relatively low Czech wages were problematic, and offered an opinion of how many Czechs coped with buying affordable clothing within such an 'international' city:

The prices are not cheap from a Czech point of view...in the UK, Mr Average gets paid £1000 a month or £1500 a month, but here he gets paid £300 a month, so relatively speaking it's expensive. Consequently around Prague you tend to get, just walk away from the main streets and you'll find places that call themselves 'second-hand shops', but they're not actually secondhand...[but stock]...chain store rejects and end of runs.

The changes in terms of internationalisation and commodification have had significant effects the physical spaces of the city as well as on the everyday lives of individuals living within the city. The insertion of Prague and the Czech Republic into a globalised, neoliberal world order, and the simultaneous

⁴³ Interview dated 16/04/05

⁴⁴ Interview dated 19/04/05

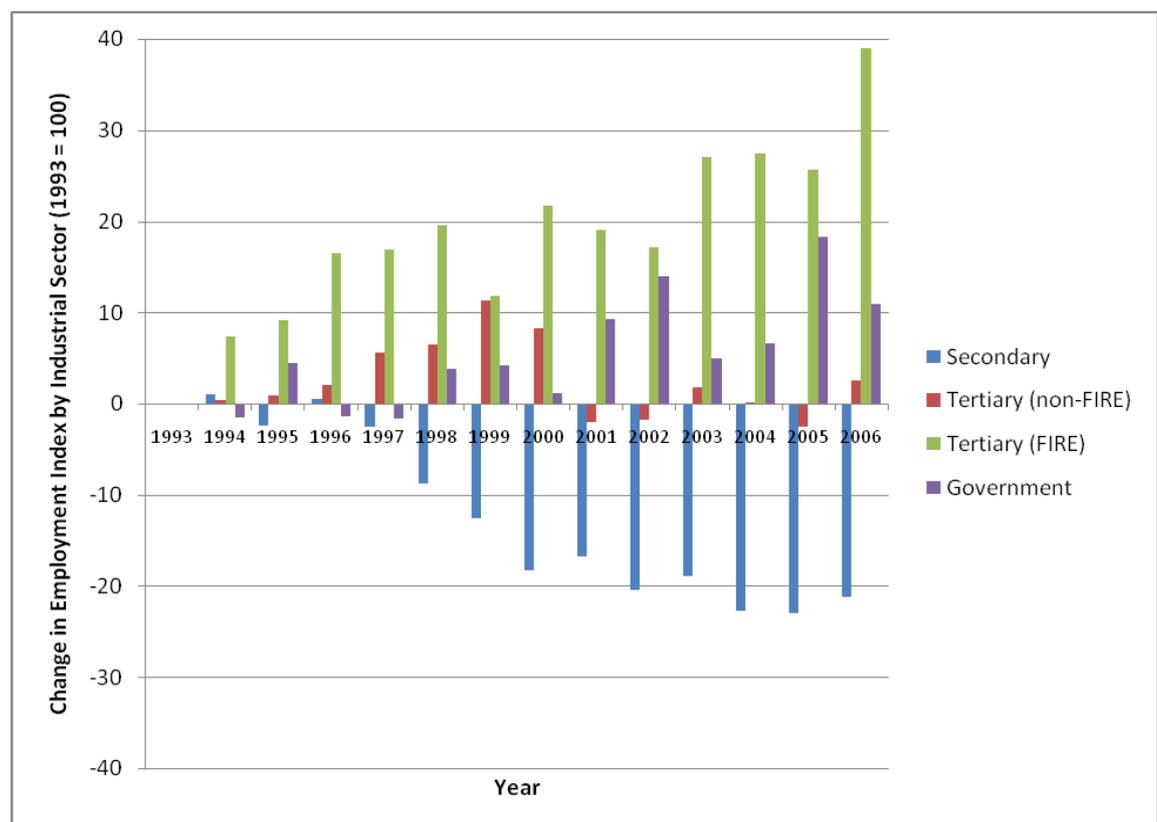
insertion of neoliberal political-economy and a 'Westernised' culture into the Czech Republic, has had profound implications for the spatial form of Prague, as well as profound effects on Czech society and culture. The next section deals with the changing economic geographies of the Prague, and how such changes are linked to the dominance and hegemony of neoliberalism and financial capital, and how the transforming economic geographies of the city are linked to the emergence of a TNP community within the city

4.4.3. Economic geographies of transformation.

The economic restructuring of cities, regions and countries post-1989 has led to a wide range of studies at an urban (Bodnar 2001), regional (Pavlínek 1995, 2004; Smith 2003) and national level (Barta et al 2005). The purpose here is to discuss the transformations that have affected changes to the economic and social geographies of Prague. This will serve to set the scene for the emergence of transnational elite communities within the city. The key changes have been economic tertiarisation and reconfiguring in favour of the producer services (especially real estate and financial intermediation), a significant internationalisation of the economy (both in terms of economic actors (MNCs) and capital (FDI)), a growing spatial unevenness of investment and transformation (agglomeration and clustering) as well as a marked increase in the importance of the shadow, grey and informal economies. Such wide-ranging transformations are a direct result of the neoliberalising policies of the early 1990s that expounded a need for privatisation, liberalisation, marketisation and internationalisation of economies throughout ECE (see Sachs (1993) for an outline of these policies and Gowan (1995) for a critique). The economic transformations have been highly spatially differentiated, with a concentration of economic activity and investment in specific regions and localities in line with processes of capitalist uneven development (Smith 1991), with relative dis/underinvestment in areas not favoured by investors. Major cities in the region such as Prague, Budapest and Warsaw, have been recast as economic growth poles and gateways for FDI, boasting excellent infrastructure, a skilled and increasingly flexible labour force and the levels of office, retail and residential space that are necessary when competing for capital in the 'global space of flows' (Castells 2000: 548-558). Contiguous with the growing

importance of the major cities *regionally*, cities such as Prague are acquiring certain regionally oriented command and control functions that are, according to Sassen (2001) key characteristics of becoming a ‘global city’. Research by Beaverstock et al (1999) has sought to construct a roster of global and world cities based on the presence of global producer service firm, and this led to the formation of a hierarchy of 55 major cities, demarcated at 12 levels of ‘world-cityness’. On the basis of these analyses, Prague is placed in the same typological group as Dallas, Geneva, Jakarta and Washington DC, at the ‘Gamma’ or third tier of world cities. This placed the city as 9th in Europe in terms of ‘world-cityness’ and as the leading ‘global(ising)’ city within Eastern Central Europe⁴⁵. As Michael Harloe (1996: 27) aptly commented, “...if Palermo may represent the future of Moscow, London or Paris may represent the future of Prague...”.

Figure 4.5. Employment changes in the secondary and tertiary sectors for the city of Prague (NUTS II), 1993-2006 (Český Statistický Úřad, Various).



⁴⁵ See Chapter 1 for a further discussion of the ‘global cities’ literature in relation to post-socialism.

In terms of sectoral economic restructuring, the city of Prague has undergone significant changes, and these changes are represented within the employment structure of the city. Figure 4.5 demonstrates changes in employment, expressed as an index, taking 1993 as a starting point. There has been a significant decline in manufacturing and secondary employment since 1993, with 2006 levels some 21% lower than they were 13 years before. Employment within the financial and real estate sector (FIRE) has undergone a marked increase since 1993, rising by nearly 40%. Employment levels in the other areas of the tertiary sector (retail, administration, non-financial services) have fluctuated since 1993 and throughout the 2000s had stabilised to the levels of 10 years previously. Such data demonstrate clearly how Prague's economy has tertiarised, and moved away from being that of a major *industrial* city, to one displaying many of the characteristics of a typical *post-industrial* city. Alongside these changes in relative employment, there has also been a growing polarisation of wages and income between different sectors of the economy, as well as inequalities between different geographical regions.

For example, the average monthly gross wage for an employee working in financial intermediation in Prague in 2005 was 45,125 Czech crowns (CZK) (c.£1100) whilst the average wage for an employee working in the hotels and restaurant sector was CZK 12,910 (See Table 4.3 overleaf). This echoes Sassen's (2001) work relating to of income polarisation, where an increase in the average wage of those working in the service sector was mirrored by a similar decrease in the lower-status service sector. Such a polarisation is seen as being indicative of 'global city' formation by Sassen, and these growing inequalities are played out spatially

Prague's economy has also been significantly internationalised. This internationalisation has occurred as a result of the geo-political changes that occurred during the early 1990s as a result of the various neo-liberal transformation policies. Much emphasis was placed upon the requirement of the newly democratised states to liberalise their economies, and one key way of doing this, it was argued, was to encourage high levels of foreign direct investment (FDI) (see Sachs 1993).

Table 4.3. Average Monthly Gross Wages of Employees, Prague. (CZK per month) (Český Statistický Úřad, Various).

<i>Industrial Sector (CZ-NACE)</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>
<i>Total</i>	20,364	21,590	22,941	24,109
<i>Agriculture, hunting, forestry</i>	14,329	14,149	14,180	14,989
<i>Industry, total</i>	19,899	20,935	22,529	23,857
<i>Construction</i>	18,718	19,938	20,914	20,975
<i>Wholesale and retail trade</i>	20,400	20,871	22,492	23,271
<u><i>Hotels and restaurants</i></u>	<u>11,232</u>	<u>11,930</u>	<u>12,297</u>	<u>12,910</u>
<i>Transport, storage and comms</i>	22,738	24,508	25,595	28,524
<u><i>Financial intermediation</i></u>	<u>39,359</u>	<u>40,307</u>	<u>42,586</u>	<u>45,125</u>
<i>Real estate, renting and business</i>	21,202	22,738	24,209	25,526
<i>Public admin and defence</i>	21,488	22,890	24,041	25,422
<i>Education</i>	14,757	16,676	17,658	18,598
<i>Health and social work</i>	16,481	17,816	18,307	19,178

There have been significant discussions of the role of FDI in ECE elsewhere (Bradshaw 2005; Pavlínek 2004; Wright et al 2002), so here I merely underline the structure and distribution of FDI within the Czech Republic, demonstrating the key role of Prague within this new international economic architecture. Additionally, the influx of FDI into the city of Prague stimulated a growth in the producer service sector (discussed above), further encouraging migration of skilled professionals and transnational elites from Western Europe and further afield. In addition to massive increases in spatially differentiated inward FDI, are the increases in tourism and immigration that have further served to 'internationalise' Prague's economy.

Nationally, the Czech Republic has been one of the largest recipients of FDI in ECE (UNCTAD 2008), lagging behind only Poland in terms of total investment received (see Table 4.4) and being the third placed recipient in both ECE and FSU in terms of FDI per capita. The most recent data published by the Czech National Bank (Česká Národní Banka 2007) provides a further regional breakdown of FDI within the Czech Republic. The regional analysis of FDI stocks for the year ending 31st December 2006, confirm that the Prague region is the largest regional recipient of FDI in the Czech Republic, holding some 52% of the total national stock. Such a regional concentration of investment is yet

another indicator of the ‘Westernisation’ of the city, and the growing importance of the role of cities within a globally networked economy and financial architecture.

Table 4.4. Estimated FDI stocks and per capita FDI for selected countries in ECE/FSU (calculated from Population Reference Bureau 2008; UNCTAD, 2008).

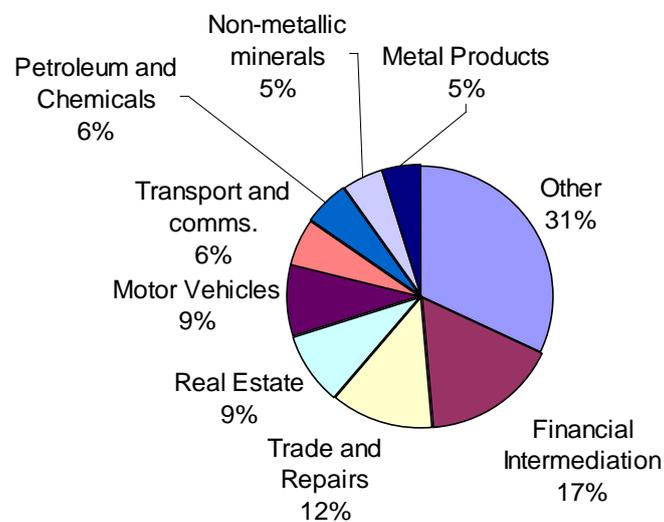
Country	Total 2008 FDI Stocks (\$ million).	Per capita FDI (\$)
<i>Poland</i>	142,100	3,729.66
<i>Czech Republic</i>	101,074	9,718.65
<i>Hungary</i>	97,397	9,739.70
<i>Russia</i>	324,065	2,283.76
<i>Romania</i>	60,921	2,833.55
<i>Croatia</i>	44,630	10,143.18
<i>Slovakia</i>	40,702	7,537.41

A further breakdown of the geographies of international investment *within* the city of Prague indicate that the city districts of Prague 1, Prague 4 and Prague 10 are the most significant, with Prague 1 alone accounting for 16% of the *national* total in 2005 (Česká Národní Banka 2007). The significance of this is a reflection of the importance of FDI in the producer service sector at the national level (See Figure 4.6 overleaf) and the fact that this sector is primarily concentrated in the Prague. Such levels of differential investment mean that a single city part of Prague receives more FDI than the six smallest recipient regions of the Czech Republic combined. At a national level, the most significant sectors of the economy in terms of FDI are financial intermediation (accounting for 17% of FDI stock), trade and repairs (12%), real estate and business activities (9%) and ‘other accounting for other a third of the total.

This breakdown is significant because under the market conditions of neoliberalism, Prague’s role as a regional economic hub and aspiring command and control centre has meant that producer services concentrated within the capital city are likely to be the sector most targeted by foreign capital, particularly following the privatisation of state banking in the early 1990s. As can

be seen, the role of FDI is spatially differentiated, focussing international financial capital in key sites such as Prague, and even key districts *within* cities. Such developments encourage further economic restructuring and growth in producer services, as well as growing socio-spatial inequalities both between and within different regions in terms of wages, infrastructure and employment opportunities.

Figure 4.6. Foreign Direct Investment in the Czech Republic by Economic Activity, 2007 (Česká Národní Banka 2007).



Alongside a burgeoning investment climate and significant industrial/economic restructuring, there has been a significant rise in the prominence of informal and semi-formal (and semi-legal) work throughout the region that has become particularly evident in the largest cities. The rise of the 'kiosk economy' has been a key feature of urban spaces throughout ECE and has been encouraged by the privatisation of former state-owned firms (as a result in the Czech Republic of 'the small privatisation') and the establishment of low-overhead cost kiosk-style retail outlets (see Neef 2002 for a discussion of the informal economy in Romania). Andrusz (1996: 65) for example, who comments upon the emergence of kiosks in Wenceslas Square:

The 'great men' who guided the destiny of their states from the top of plinths and mausolea overlooking the squares have been replaced by the

'small men' feeding the population from their private kebab stands.

Such semi-formal economies tend to proliferate in public and semi-public spaces, such as within (or just outside) Czech Metro and train stations, indeed anywhere where a flow of people is guaranteed whatever the weather (see Plate 4. 4). Such kiosks are vital to many average earning and lower-earning Czech residents as they provide cheap goods (from toys, clothes, shoes to fresh vegetables) and often negotiable prices. The proliferation of such economic forms points to the inaffordability of many goods and products sold in the newly privatised (and formalised) retail spaces of the city. Indeed, whilst the rise of international brand stores has catered to the needs of the growing middle classes, wealthy TNP population and tourist industry, the presence of such stalls can be seen as a key signifier of economic inequality.

Plate 4.4. The Kiosk Economy at Work, Národní Třída Metro Station, Prague 1 (Source: The Author, February 2004).



In addition to the tertiarisation and the rise of informal economies in the city, Prague has become a key centre for tourism, not only within ECE, but within Europe as a whole. The cultural capital of the city attracts a great many visitors, from individuals and small groups seeking a weekend break, via long haul travellers visiting the region for a week or two, to the ubiquitous and often troublesome stag parties that descend upon the city, especially during the Spring and Summer months. Turba (1996) estimated that some 300,000 tourists visit Prague each *day*, amounting to some 100 million people per year. According to Cooper and Morpeth (1998), Prague has overtaken Paris as the

most popular European city destination. The relevance of such vast numbers of foreign visitors entering the city is significant, and has further encouraged the commercialisation and commodification of central Prague. Whilst the increase in the numbers of visitors has contributed a great deal of financial capital to the city, it has served in part to claim some of the key historical sites and spaces of the city such as Old Town Square and Charles' Bridge for international tourists, especially during the holiday season. The relative wealth of visiting tourists has led to significant price rises in bars, restaurants and other centrally located leisure spaces, and the average price of a beer in a street café on Old Town Square is now c. CZK 90 (£3.00). When such prices are compared to those of similar venues outside of the city centre, the differentials are incredible (c. CZK 25 for a large beer). Such differentiation, whilst beneficial for the owners of centrally owned premises, has meant that very few Czechs are willing (or indeed able) to regularly spend time within the central spaces of the city. Aside from the differential pricing, the narrow, cobbled streets running between Wenceslas Square, Old Town Square and Charles Bridge are now home to a huge number (but not a huge variety) of souvenir shops selling Bohemian glassware, fake Premiership football shirts, cheap Absinthe, Soviet army medals and Russian dolls in the guise of British and Italian football stars. The small property privatisation of the early 1990s had the express purpose of creating a class of small business owners and entrepreneurs, who took advantage of the increase in tourism to gain financially after. Such a spirit of entrepreneurialism should not be dismissed out of hand, but when swathes of the historic core are effectively 'hollowed out' and small independent stores are replaced with the gaudy glow of *herna* ['Chance'] bars, overpriced cafes and souvenir shops, key questions are raised about how 'public' the public spaces actually are, and precisely which 'public' they cater for (Lees 2003).

In fact the colonisation of Staroměstské Náměstí by the ubiquitous selection of Irish and English theme pubs (see Plate 4.5), and expensive bars and restaurants has in fact served to privatise one of the most important public spaces in ECE. The large numbers of tourists also provide problems for the residents of central Prague, and several of the foreign professionals interviewed

complained about the numbers and nature of (mainly British) tourists. AJ⁴⁶, an advertising executive from the USA, said the city centre was:

...targeted toward the people from Britain I don't like! You know, the midlands, blue collar types who come here on the £60 [flights] and basically come here, throw up in the street, break windows, fight people, and...I don't really like it...Just like I wouldn't like it if people from South-Central LA were flying here...to destroy our city.

Such sentiments are broadly echoed by Will⁴⁷, an American real estate agent:

If you live just on the Old Town Square you cannot get your shopping home [from Tesco's] without knocking into like 20 Japanese people or 15 Irish people or a clan of Italian students.

Plate 4.5. English Theme Pub, 'St. George and the Dragon', Staroměstské Náměstí, Prague 1. (Source: The Author, May 2005).



Aside from the significant increases in international migration in the form of tourism, Prague and the Czech Republic as a whole has been subject to increases in permanent migration. I will elaborate on this point next, focusing specifically on the group of individuals that both Saskia Sassen (2001) and Manuel Castells (2000) have seen as being key indicators of 'global-cityness' and important global flows in the network society: the so-called transnational elite.

⁴⁶ Interview dated 10/04/05

⁴⁷ Interview dated 25/10/04

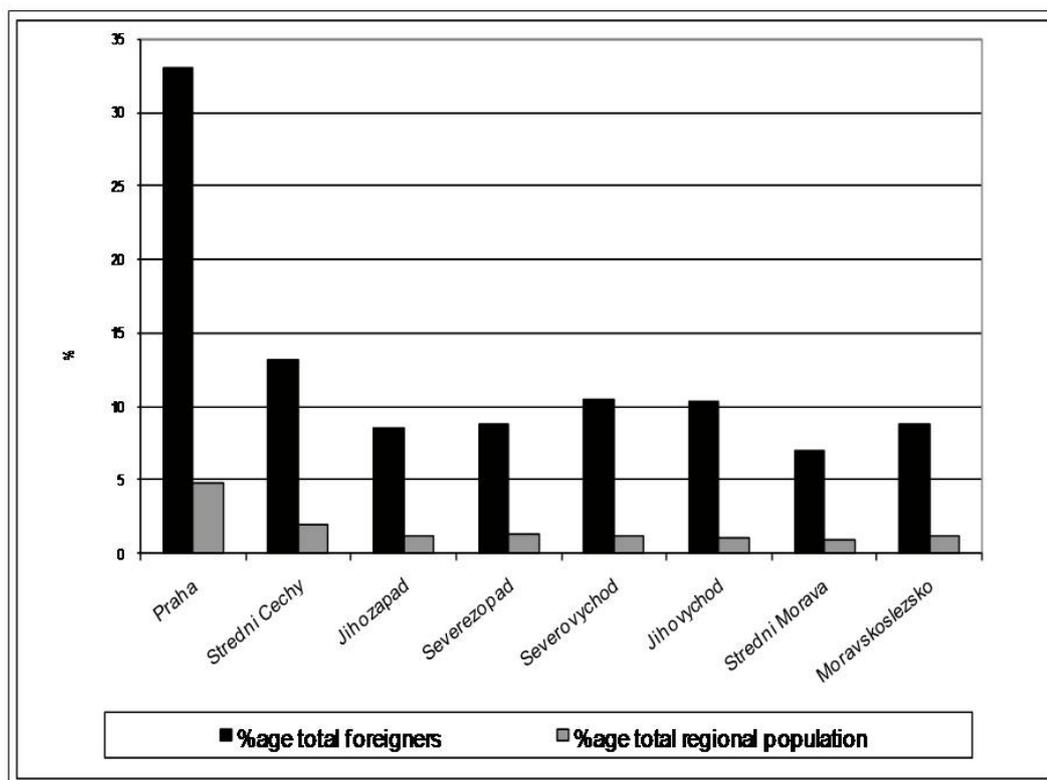
4.4.4. Migration and the skilled professional: Fleeting capital?

The increasingly open nature of national borders in ECE, and the liberalised policies of immigration during the 1990s led to significant increases in international migration throughout the region. The accession the ECE applicant states (including the Czech Republic) to the European Union in May 2004, has further encouraged 'free' movement⁴⁸ between European countries that was unheard of during the state socialist era. Data Collected by the Czech Statistical Office, published in 2004 (Český Statistický Úřad 2004b) indicates that there were 168,031 foreigners employed in the Czech Republic and 240,421 foreigners with either a 90 day or more visa, or with permanent residence. This amounts to approximately 2% of the total population of the Czech Republic, and whilst this figure appears insignificant, the measurement methodologies employed can be circumvented by those on short term visas, those who fail to renew visas or are naturalised foreigners, meaning that their number is likely to be higher than officially reported. With regards to foreigners in employment, 55,525 live within the city of Prague (33% of the total), and in terms of residence, 69,115 foreigners live within the city. This latter figure represents just under 30% of the total number of foreigners (see Figure 4.7 for elaboration).

Not only do these data serve to demonstrate the unevenness of immigration, but they also add to the weight of evidence positioning Prague as a significant growth pole for human as well as financial capital. If the data is broken down into the nationality of the foreigners, the most significant source countries for immigration are Slovakia (64,819 employed nationally), Ukraine (62,282) and Vietnam (29,046). The historical background for the presence of such significant groups in the Czech Republic is relatively simple to explain, and is historically situated within state socialism. Prior to 1993 and the 'Velvet Divorce' from Slovakia, many Slovaks moved to Bohemia and Moravia to work and take advantage of employment opportunities in the Czech lands.

⁴⁸ However, whilst EU membership has ostensibly encouraged international migration, recent caps placed by the UK government on the numbers of Romanian and Bulgarian migrants entering the country indicate that truly free movement is somewhat fallacious.

Figure 4.7. Regional Distribution of Foreign Residents by Percentage of Total Foreigners Nationally, and by Percentage of Total Regional Population (Český Statistický Úřad 2004b).



The large Ukrainian population can be attributed to this former region of the USSR sharing borders with Czechoslovakia prior to the events of 1989, and where both Czechoslovakia and the USSR shared broadly similar (though nationally specific in detail) political architectures of state socialism. After the collapse of state socialism, many Ukrainian workers remained in the Czech Republic as job opportunities and living standards were higher than in the Ukraine. The presence of such a large Vietnamese population is also a legacy of state socialism, and of the 'Agreements of Mutual Help' signed by several ECE countries and Vietnam in 1976 and 1977 (Williams and Balaž 2005). These links served to establish close cultural, economic and scientific co-operation between ECE states and Vietnam, and the transfer of human capital in the form of some 40,000 Vietnamese students, was seen as recompense for outstanding trade deficits (ibid: 536). Numerically, other significant groups are residents originating from Poland (15,766 with long term visas), Bulgaria (4,030) and Russia (12,605), with the largest communities of non-ECE, FSU and former

socialist countries being from Germany (5,188), the USA (3,264), the UK (1,709), France (1,355) and Austria (1,888).

Indeed, the Czech Statistical Office estimate that just over 3,000 Americans were employed in the Czech Republic as of 31st December 2003, with just over 1,700 British residents present also. Anecdotal data taken from interview transcripts suggests that there may well be between 3,000 and 30,000 Americans living in Prague (Bürkner 2000), and approximately 10,000 British residents, although it is difficult to validate such data. Extrapolating from the highly skewed geographical distribution of immigrants within the Czech Republic, and taking into account the locational strategies prevalent within the 'post-industrial' economy, it would be expected that most Western migrants would live in either Prague or the Czech Republic's second city, Brno. It is unfortunate that no quantitative data exists relating to the spatial distribution of foreigners by nationality, as it would provide significant insights into the ethnic composition of the Czech regions after 1989.

The significant number of Western TNPs has developed since the early 1990s, when there was a need for experienced professionals to develop a producer services sector *ab initio* from the ruins and legacies of the centrally planned economy. Many major international firms, particularly those specialising in legal services, advertising, public relations, accountancy, management consultancy and real estate saw Prague as an ideal gateway into ECE. It is this specific group that researchers such as Sklair (2001), Beaverstock (2002) and Sassen (2001) have invoked discussions of 'transnational capitalist classes' and 'transnational elites': the hypermobile, short term residents who fleet in and out of job placements every two years or so. In addition to the development of a large community of skilled professionals, many Western residents live in Prague for 'lifestyle' reasons. The cultural status of Prague as the surreal and mystical city of Gustav Meyrink's *Golem* and Franz Kafka's *Metamorphosis*, have made it a haven for individuals (writers, 'Bohemians', entrepreneurs and *bon viveurs*) seeking to escape the rigours of nine-to-five life in the USA or Britain and who can therefore be seen as being further distinct from the corporate elites discussed by Sklair and Sassen. Therefore the group of TNPs present in Prague is somewhat more diverse in makeup than often discussed in the

literature as has been discussed in Chapters 1 and 2. Indeed Wayne, an American recruitment professional, suggested 'off tape' that Prague during the early 1990s was similar to *fin de siècle* Paris in terms of the diversity of creative migrants. Additionally, he added, again off tape, that since the turn of the millennium Prague had lost much of its hedonistic spirit and 'magic' and had become corporatised and sterile.

It is appropriate at this stage to make the connection between recorded migration flows and the nature of my research informants. Out of the 32 individuals interviewed, the largest groups of informants by nationality originated from the UK (10), the USA (7) and Australia (3). In addition to three Czechs who had returned to Prague following the collapse of state socialism and two American students. Whilst the remainder of the interviewees were the sole representatives of their country, originating from Austria, Canada, Fiji, Finland, Germany, New Zealand, the Philippines and the United Arab Emirates. Such a pattern does not reflect the immigration profile presented above or in the TNP literature discussed in Chapter 2, indicating from the sample of interviewees that this group of TNPs is more ethnically diverse than would be expected, although the bulk of informants did indeed originate from the UK, USA and Australia.

The strategies and tactics employed to find respondents (discussed further in Chapter 3) were designed to target individuals working in the producer services sector in order to filter out individuals working in lower order services and those staying in Prague for less than 90 days (for example backpackers)⁴⁹. By breaking the selection of interviews down further, of the informants originating from the UK, 5 worked at a senior management or director level within multinational producer service firms, three owned and managed their own producer service firms (after working within MNCs for several years), one worked as a University Lecturer and another was a freelance journalist⁵⁰. Regarding informants from the USA, two worked at senior management level in different MNCs, whilst four owned their own businesses and one individual taught at the

⁴⁹ However, three students were interviewed but their material has not been included in the analysis.

⁵⁰ For a full breakdown of research informants, see Appendix 1 and 2.

International School. Out of the remainder of the informants, one Australian national was the regional human resources director for a leading global management consultancy firm, and the other (an Austrian national) was a departmental director working for a major Czech bank. Therefore the bulk of the interview informants are fulfilling roles that could mark them as being members of a 'transnational elite' (Beaverstock 2002) although the lack of decision making functions possessed by these individuals perhaps indicate that they should be thought of as TNPs as I have argued elsewhere. The primary distinguishing feature of the group of informants included in this study was the relatively high proportion of informants who were owner-managers of their own companies (all in the producer service sector) after working initially within producer service sector MNCs. These entrepreneurs generally arrived in Prague working on a corporate overseas placement and decided to stay in the city and set up their own companies. Such a phenomenon has not been studied at any length in the global cities literature and indicates that the apparent hypermobility of transnational elites may be called into question, reasserting the role of place into the lives of TNPs. The final section will draw out draw together the discussion developed in Sections 4.2. to 4.4, and will clarify how this chapter links with, and situates, the empirical material presented in Chapters 5 to 7.

4.5. CONCLUDING COMMENTS.

The purpose of this chapter has been to outline the various transformational processes that have affected change(s) to Prague's, economic, social and cultural geographies since the formation of the Czechoslovak Republic in 1918. By examining the changing spatialities of city, and the two significant transformations experienced by the city in 1948 and 1989, it is possible to examine the links between changing political-economic conditions and the production of various spatial forms at the urban scale. These various transformations, particularly those post-1989, are vital in understanding how political-economic transformations have reconfigured both the geographies of Prague and the everyday lives of the city's residents. Additionally, by positioning the empirical chapters within a suitable historical framework, one can begin to see similarities and differences between the different historical periods. Whilst the contemporary city of Prague (and indeed of all the major cities in ECE)

displays significant similarities with the pre-communist city, in terms of residential differentiation for example, the legacies of the state socialist era are still apparent. This serves to situate contemporary transformations to both everyday life and political-economy within broader relational frameworks of time and space. Whilst this chapter has sought to understand the complex political-economic transformations that have affected the city of Prague, the following three chapters will serve to examine the ways through which TNPs are implicated in the production of exclusionary narratives and spaces, through a study of their everyday practices.

CHAPTER 5

THE LUXURY REAL ESTATE COMPLEX: SPACES OF SEGMENTATION

Each urban formation knew an ascent, an apogee, a decline. Its fragments were then used for/in other formations. Considered in its historical movement, at its specific level (above and beyond global transformations, but above immediate and locally rooted relations, often linked to the consecration of the ground, and therefore durable and quasi-permanent in appearance), the city has gone through critical periods. Destructurations and restructurations are followed in time and space, always translated on the ground, inscribed in the practico-material, written in the urban text, but coming from elsewhere: from history and becoming.

Lefebvre et al (1996: 107)

5.1. INTRODUCTION.

The purpose of this chapter is to develop a critical understanding of the role played by TNPs within Prague's residential real estate market(s), following the brief engagement made with the subject in the previous chapter. By engaging explicitly with the role of TNPs in both the production and consumption of luxury real estate spaces, it is possible to explore the micro-geographies of everyday life and exclusionary spaces developed further in chapters 6 and 7, and how these are reinforced through particular residential spaces and trajectories. The analysis begins with a discussion of how housing markets have been transformed since 1989 within the Czech Republic, paying specific attention to the transformations that have occurred within Prague. This provides a context in which to examine the role of TNPs in both the production and consumption of housing in the city. The engagement with the production of exclusionary residential forms focuses upon three case studies of real estate actors and the impacts that these have had upon the 'regeneration' of Prague; Real Estate Karlín Group (REKG), European Reality (ER) and ORCO Property Group (ORCO). These companies provide illustrative examples of a property developer, a real estate agency and a combined real estate agent-developer respectively, all of which are owned, managed and operated by non-Czech

nationals. REKG and ER in particular, have been instrumental in redevelopment of Prague 8 into luxury apartment housing targeted towards TNPs and the very wealthiest Czech nationals. By tracing the flows of capital and networks of association within, between and beyond these companies, a number of processes emerge as being important in understanding the nature (and culture) of real estate (re)development in Prague and the nature of the spaces that such developments produce and destroy. In addition to focusing upon the geographies of housing (re)production in the city through these three case studies, the second substantive section of the chapter focuses upon TNPs as consumers, specifically on the residential experiences, and choices, of TNPs drawing upon understandings of multiple forms of capital discussed in Chapter 2. This provides a way of understanding the temporalities of a TNP's progression through the Prague housing market, drawing upon their own experiences and the levels of economic and place based cultural capital that they possess and accumulate.

This dual approach to understanding what I term 'the luxury real estate complex', serves to position the role of TNPs within one of the fastest growing sectors of Prague's economy in the late 1990s and early to mid-2000s by examining the linkages between the production of certain spatial forms, how they are consumed and therefore reproduced. Additionally, it highlights the processes and practices that contribute to both the production and consumption of 'elite' spaces within the city. Therefore this chapter primarily contributes toward research questions 1 and 2 (see Chapter 1), treating housing as a space of inequality, and through an examination of how residential forms are (re)produced through everyday practices new understandings of urban exclusion can be forwarded. Before addressing the importance of everyday practice however, it is necessary to set these case studies and processes within the context of Prague's residential transformations since 1989.

5.2. RESIDENTIAL TRANSFORMATIONS AND HOUSING MARKET CHANGE IN PRAGUE SINCE 1989.

There are certain similarities between different post-socialist states regarding the transformation of housing markets in terms of the processes of property privatization (Grime 1999; Marcuse 2003; Priemus and Mandič 2000; Struyk

1996), restitution (Blacksell 2002; Fisher and Jaffe 2000; Musil 1995), internationalization (Drbohlav and Sýkora 1997; Sýkora 1994) and increased residential differentiation and inequality (Kostelecký 2000; Kostelecký et al 1997; Steinführer 2004; Sýkora 1996, 1999a, 1999b). Situated within these wider processes of socio-spatial transformation is the Czech experience of the transformation process, and the specific case of Prague. By understanding the complex processes of privatisation, internationalisation and restitution, the role of foreign capital in the production and consumption of housing can be situated more fully.

One of the most significant transformations to date in Prague has been the changing ownership and tenure structure of residential property. During the communist era, there were four main types of tenure; (i) state, (ii) enterprise, (iii) cooperative and, (iv) private housing. State owned stock during this period consisted of existing housing stock that was nationalised following the communist coup of 1948, and new build properties (generally prefabricated apartment blocks, or paneláky) constructed from the 1950s to 1991. Eskinasi (1995) performed an analysis of the pre-1991 residential ownership structure for Prague, which demonstrates significant differences relating to the percentage of state owned properties in each of the major districts of Prague (see Table 5.1. overleaf). Whilst these differences may not necessarily be seen as direct evidence of socio-spatial differentiation, areas with high proportions of state owned property pre-1989 have typically experienced the greatest impact of processes of restitution, as Sýkora (1996: 285) notes, "...restitution has had a clear geographical pattern, as it mostly influenced central parts of towns and cities".

The areas of Prague with the highest concentration of state owned housing were Prague 1 (Malá Strana, Nové Město and Staré Město), Prague 2 (Vinohrady, Vyšehrad and parts of Nusle and Nové Město), Prague 3 (Žižkov and Strašnice) and Prague 7 (Holešovice), and are all located in the central city and inner city ring (see Table 5.1). Following the housing reforms of 1991, state owned residential property was transferred to local government ownership prior

to restitution and privatization, effectively decentralising the governance of public housing responsibility throughout the Czech Republic (Sýkora 2003: 61).

Table 5.1. Pre-1991 Forms of Residential Property Ownership for Selected Prague Districts (Adapted from Eskinasi 1995).

City District	% State Owned	% Cooperatively Owned	% Privately Owned
Prague 1	92.6	3.7	3.7
Prague 2	93.5	5.8	0.7
Prague 3	68.9	14.1	17
Prague 4	24.2	12.4	63.3
Prague 5	23.5	7.4	69
Prague 6	27.7	19.1	53.2
Prague 7	78.6	9.7	11.7
Prague 8	36.7	17	46.3
Prague 9	15.9	5.5	78.6
Prague 10	30	11	59.2

Following this transfer (in Prague, the transfer was made to each city district), issues of restitution were taken in account where appropriate, and what followed was a further process of ownership transformation. Property confiscated from private owners by the communist regime following the 1948 coup was returned to either the original owners or their closest living descendants⁵¹. Following the return of property to the original owners, international capital played an important role in driving the housing markets, particularly in Prague 1, 2, 3 and 7 during the 1990s and 2000s, as newly restituted property was either rented as office and commercial space to international tenants, or sold to international property developers (Sýkora and Šimoničková 1994). In addition to traditionally high rental and purchase prices in the central districts of Prague, recent data published by King Sturge (2007) has noted that the offer price (advertised value) of new-build apartments further away from the centre of Prague has increased by up to 21% between 2005 and 2006 (see Table 5.2).

⁵¹ The confiscation of privately owned property by the state in 1948 was most widespread in city districts seen to be the most 'bourgeois' by the communist party. This process was then reversed in the early years of the 1990s when again these districts experienced the greatest changes of both ownership type, and in Prague 1 especially, a change in use type in light of increased demand for office and commercial retail space.

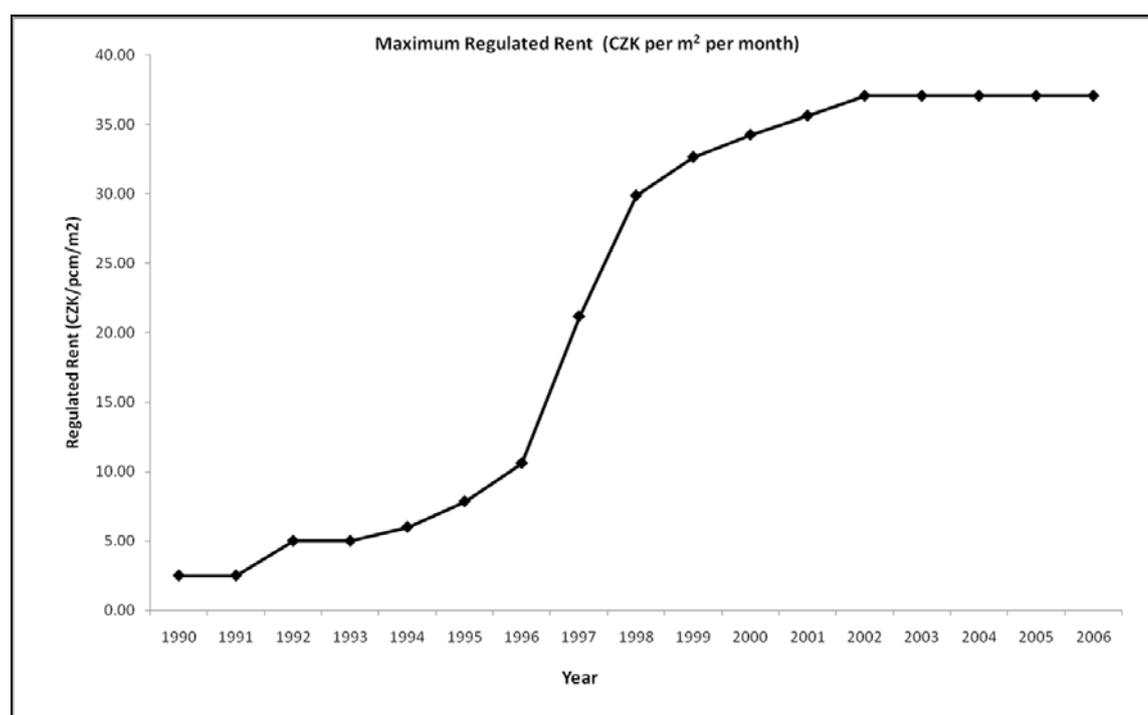
Table 5.2. Average Offer Price of New Build Apartments (CZK / m²) for Selected City Sections (derived from King Sturge 2007).

Cadastre	District	2005	2006	%age change (2005/2006)
Troja	Prague 8	43398	52502	21
Spořilov	Prague 4	36107	42145	16.7
Prosek	Prague 9	33072	38504	16.4
Vysočany	Prague 3	40065	46441	15.9
Karlín	Prague 8	43469	50281	15.7
Vršovice	Prague 10	46449	52612	13.3
Košíře	Prague 5	48133	54097	12.4
Bubeneč	Prague 6/7	57438	63653	10.8
Smíchov	Prague 5	52844	57969	9.7
Dejvice	Prague 6	56699	60789	7.2
Žižkov	Prague 3	49079	52478	6.9
Staré Město	Prague 1	99796	105145	5.4
Nové Město	Prague 1	79440	83276	4.8
Vinohrady	Prague 2	65051	67906	4.4
Břevnov	Prague 6	52654	54892	4.2
Malá Strana	Prague 1	103252	106263	2.9

As can be seen from this data, the city districts experiencing the highest short-term price growth in terms of new build apartments are located near to, but not part of, the central business district, generally experiencing growth rates of between 10 and 20% between 2005 and 2006. Districts such as Prague 3, 7, 8 and 9 are also experiencing strong short-term growth in terms of offer price, encouraged by the strength of the buy-to-let investment market that is estimated to account for between 10 and 25% of total new-build apartments sold (King Sturge 2007). These price increases are expected to slow during 2008, due to both an increase in VAT on property from 5% to 19% applicable from 2007, and the emerging implications of the 'credit crunch', though forecasts still predict a steady growth of 6-7% for the city as a whole (ibid). These significant, if short-term, increases in house prices are generally mirrored throughout Eastern Central Europe and the Baltic States, linked to national variations in mortgage markets and consumer credit availability (Shelburne and Palacin 2006).

Contiguous with processes of privatisation and the decentralisation of housing control, has been increasing deregulation of state controlled rents within Prague. As demonstrated in Figure 5.1, the average maximum regulated rent has increased by approximately 1000% in nominal terms since 1990. Unfortunately there are no current statistics available concerning the number of dwellings currently subjected to rent regulation in Prague specifically or the Czech republic as a whole, though Buzhar (2005: 386) estimates that nationally, some 23% of the stock is subject to rent regulation whilst Sýkora (2003: 64) places the figure at between 20 and 25%, with higher proportions of regulated housing in major cities such as Prague and Brno.

Figure 5.1. Average Maximum Regulated Rent in Prague, 1990 to 2006 (Source: Elaborated from data provided by Martin Lux, September 2008).



In many apartment buildings built prior to 1993⁵², the regulated rents received by restituted landlords from their tenants barely cover maintenance costs and upkeep on the apartment blocks, and following a landmark case at the European Court for Human Rights in Strasbourg in 2005, rent deregulation is set to continue apace, culminating in the full deregulation of rents in 2010

⁵² Apartments constructed post-1993 in the Czech Republic are not subject to rent regulation.

(Fibegerová 2005). In addition to the high percentage of rent regulated property, particularly in major urban areas, Czech tenants living in regulated apartments are entitled to unlimited tenancy contracts, which in turn leads to relatively low housing mobility and proportionately high rents and purchase prices within the non-regulated housing sector and in new build properties. Consequently, when combined with an expanding buy-to-let market regionally (Gomez 2006), housing not subject to rent regulation (all new build properties are non-regulated as is property owned by foreigners) is unaffordable to many Czechs, a situation that is deepened by the significant size of the short-term tourist focused letting market and the relatively high purchasing power of TNP residents and overseas investors (King Sturge 2007).

For these reasons, it would be fair to say that by neither fully de-regulating the housing market or maintaining centralised control of it, the Czech state (both nationally and at the municipal level) has created a situation characterised by internal contradictions serving to differentiate and fragment the residential property markets in the city. The relative fiscal and political weakness of the municipal authorities has encouraged the dominance of the private sector in the regeneration of certain parts of the city, often purchasing undeveloped land and property from district councils. Whilst this has had the effect of increasing municipal cash flows (Sýkora 1996: 286), the relative economic power of private companies, "...challenges the role of municipalities in shaping the spatial concept of settlements" (Maier 2003: 219). In other words, the asymmetric power relationships existing between the municipality and the private sector, can lead to the development of regeneration projects that are loosely regulated and primarily serve the profit motives of international capital rather than the pressing needs of the municipality in question, such as the construction of affordable housing.

Brownfield redevelopment and reconstruction is regulated by various legislative frameworks, although such frameworks appear to be somewhat permeable (see Section 5.3.) and can therefore be seen as problematic due to the encouragement of dubious financial investment practices. Such practices, whilst not as well documented as the widespread 'tunnelling' of capital and assets

from former state owned property and companies that occurred during the 1990s (Altshuler 2001), are nonetheless problematic in relation to the housing market. Indeed, derelict industrial and run-down residential properties can still be purchased relatively cheaply by private investors and developers, transforming particular areas of the city into luxury housing and office developments.

The somewhat short-sighted and corporatist nature of municipal housing policies in Prague may well have significant ramifications at a wider scale, due to the deteriorating nature of the city's communist panelák housing (see Alda 2008), cuts to municipal repair budgets (ibid) and a simultaneous lack of affordable private housing (Reynolds 2005). Therefore, by examining the role of the international capital and TNPs in the regeneration of Prague 8 and Prague 2 and the character of the emerging developments in these districts, it is possible to make preliminary judgements regarding precisely who benefits from such projects. The following section will provide a discussion of the role played by three major actors in the 'regeneration' of Prague 8 and Prague 2, and the role played by TNPs working within these organisations. It must of course be noted that foreign investment in Prague's real estate markets is by no means restricted to Prague 8 and Prague 2. Rather then, the case studies presented here should be seen as illustrative of wider processes at work within Prague, and serve to shed light upon the complex international flows and articulations of capital and actors that coalesce to materially transform post-socialist spaces.

5.3. PRODUCTION STORIES: PERMEABLE GOVERNANCE REGIMES AND THE TRANSFORMATION OF PRAGUE 2 AND PRAGUE 8.

The purpose of this section is to examine the role played by TNPs and TNP owned real estate companies in the production of residential spaces in Prague. Broadly, it is possible to identify a number of different typologies of development, ranging from the gentrification of run-down inner city housing stock to the construction of new build housing. Processes of gentrification are relatively commonplace within Prague's inner city, specifically the areas of Prague 1, Vinohrady, Vršovice and Žižkov and generally involve the upgrading

and 'aestheticisation' (Sýkora and Šimoničková 1994; Sýkora 1996) of late 19th and early 20th century apartment blocks⁵³. The role of new build housing is also significant and tends to take the form of either gated suburban developments often seen as evidence of Americanisation and have been reported as occurring in not only the USA (Blakely and Snyder 1999; Davis 1998a, 1998b; Low 2004) but in a number of countries experiencing political-economic transformations, such as China (Miao 2003; Wu 2004, 2005; Wu and Webber 2004), Chile (Salcedo and Torres 2004), Indonesia (Hun 2002), Argentina (Roitman 2005) and South Africa (Lemanski 2006).

Aside from such suburban gated communities, inner city gated communities are present within Prague, consisting of secure apartment blocks, often constructed by TNP owned and managed real estate corporations. The three case studies presented here are that of a real estate development company (REKG), a real estate agency (ER) and a major property developer and agency with interests throughout Eastern Central Europe (ORCO). The rationale behind focusing upon these three companies is that they are all prominently involved in the production of residential space(s) specifically aimed at Prague's wealthy residents and TNP community. By tracing the linkages between these companies, the spatialities of their development portfolios, as well as the linkages and the biographies of key TNPs working within the companies, it is possible to delineate the complex relationships existing between the municipal government, the private sector and the TNPs that are both producing and consuming luxury real estate in the city. Additionally, I argue that the complex relationships between these actors serve to create a cliqued and exclusionary market sector, whereby foreign financial capital, foreign companies and foreign residents have come together in the production of exclusionary spaces.

5.3.1. Real Estate Karlín Group: Municipal Corruption and the Permeability of Urban Governance Regimes.

Real Estate Karlín Group (REKG) is a real estate developer with significant property interests in two particular districts of Prague, Karlín and the neighbouring district of Libeň. These two districts (together with Bohnice, Čimice and Kobylisy) form Prague 8 and both have a rich industrial, working

⁵³ See Chapter 4 for a fuller discussion of the historical development of Prague's inner city.

and lower-middle class heritage, encompassing areas characterised by the now derelict Prague Docks and a significant proportion of Prague's heavy manufacturing industry that is now in decline. This heavy industry centred on several ČKD⁵⁴ plants that specialised in the manufacture of train carriages, locomotives and tram cars for both the Czech and Eastern Bloc markets during the era of state socialism. Nowadays Karlín and Libeň have been (re)scripted and (re)placed by REKG as being:

... the most dynamically developing districts in Prague. This is partly because industrial production in this area stopped entirely during the 1990s, and a number of buildings are no longer used for their original purpose...The planned revitalization of old and [the] construction of new buildings aims to take advantage of the genius loci, which continues to exude the glory of past industrial boom[s], so strongly associated with this part of Prague.

(REKG 2007, emphasis added)

Of particular relevance here is the way in which REKG have invoked the 'genius loci' of Karlín and Libeň, by placing the current redevelopment in an historical context that both romanticises the industrial heritage of the district, whilst at the same time destroying it. Indeed, if 'genius loci' is interpreted as meaning the spirit of place, or more classically, the protective spirit of place, then it is somewhat problematic to see how the construction of new build luxury apartments (such as River Diamond, discussed below) is sympathetic to the character of the neighbourhood. Figure 5.2. (overleaf), demonstrates the spatial extent and types of transformation present in Karlín.

REKG was formed in 1998 by Serge Borenstein (a Belgian entrepreneur) and Charles Butler (a British investment banker), and receives significant financial backing from the Marc Rich Real Estate Group (MRREG), a subsidiary of Marc Rich and Co Holdings. Perhaps the most significant of these three actors is MRREG, a company owned by the infamous combat trader Marc Rich who was indicted in 1983 in the USA for tax evasion and illegal commodity trading (Copetas 1985), in addition to a number of other legal violations relating to tax fraud and alleged arms dealing (Vickers 2005). Prior to his indictment and

⁵⁴ Česko-moravská Kolben Daněk.

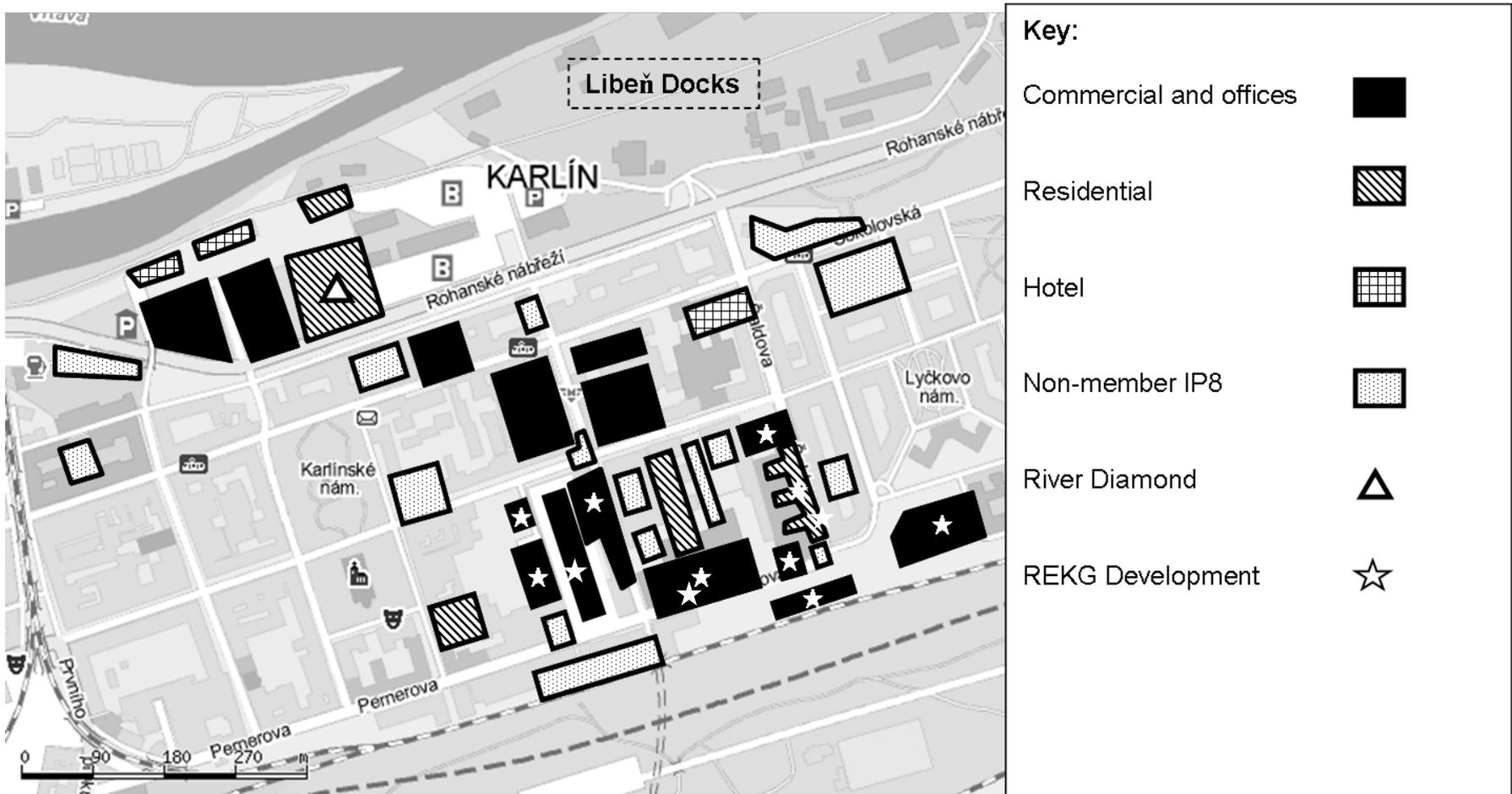


Figure 5.2. Map of Karlín Showing Completed and Planned Developments by members of the Investors for Prague 8 Consortium (adapted from IP8 2004).

subsequent flight to Zug, Switzerland (where MRREG is registered), Rich was a pioneer of 'combat trading', whereby commodity traders gained (often exclusive) trade rights from countries undergoing political, economic and social turmoil. Nowadays, Rich remains a resident of Switzerland and is a 50% silent partner in REKG (Mainville 2001) along with active partners Borenstein and British investment banker Butler. Prior to Rich's involvement (albeit 'silent') in Prague's real estate market, he attempted to purchase a Czechoslovakian aluminium company in 1991, once more pursuing his philosophy of combat trading given the possibilities offered by the collapse of state socialism in Eastern Europe (Copetas 1985; Herod 1995).

This takeover was prevented by a personal intervention from the then Czech President Václav Havel, following pressure from Czech metal workers lobbying through the International Metalworker's Federation (Herod 1995: 352). The contemporary financial influence of Marc Rich in the Czech Republic has not raised any alarm, or indeed any concern, indicating the permeability of various regulatory checks instituted since Havel's initial interventions in 1991 (ibid). According to Mainville (2001), the American Embassy was unaware of Rich's business interests in the Czech Republic, and a spokesman for the Czech Government's investment agency was quoted as saying, "...the government does not monitor the activities of foreign companies here. That would be discriminatory". Such apathy to the business activities of one of the most controversial and notorious business figures of the last 30 years is somewhat alarming, particularly when Keith, owner-manager of European Reality (ER) alluded to municipal corruption, linked to REKG and the purchase of land in Prague 8:

They're [REKG] backed by a multi-billionaire [Marc Rich] so they've definitely got the money for their plans. They're very well connected let's say...So the building permits won't be an issue. I think they've pretty much covered those off...there will certainly be no issues...These guys will make an awful lot of money, they were buying space in that area [Karlín and Libeň] ten or eleven years ago for about \$30 a square metre⁵⁵.

⁵⁵ Interview with Keith (05/05/05).

The fact that such practices were greeted with a casual shrug of the shoulders and a throwaway acceptance of the implications of corruption should be seen as disturbing, not only due to the potentially dubious nature of the financial capital that REKG are investing in both Karlín and Libeň, but also to the immense profits that will be made in the process. Additionally, as alluded to above, the typical constraints placed upon property development in terms of planning permits appear to have been evaded through these alleged corrupting practices. Whilst it is important to highlight the nature of the business practices and associations behind REKG's business interests, it is equally important to understand some of the spatial implications that their developments are having in the district of Prague 8. Currently completed projects include both residential and commercial developments throughout Karlín, located in both refurbished former industrial property as well as new constructions, the flagship of which is the River Diamond Development (See Plate 5.1).

Plate 5.1. River Diamond Residential Development (Photographs by Author 29 May 2008).



This development is owned by Riverbank Development s.r.o. (River Diamond 2007), a subsidiary of REKG set up as a partnership between Serge Borenstein, Thomas Samii (an American real estate lawyer) and Immoconsult Leasing s.r.o, the property investment arm of Volksbank Austria. The development consists of a number of new build apartment blocks facing across the River Vltava and, according to Keith, whose company, European Reality, deals with the agency side of the development outlines, "...you've got views of

the river and you're in this fantastic complex, you're right next door to the five star hotel, the golf course and all. This is the true top end"⁵⁶

Indeed, the development provides access to a 24-hour bilingual reception desk, laundry, cleaning services and event tickets, shops and cafés on the ground floor, a courtyard serving as private garden for residents as well as secure underground parking. The project is, "...specifically aimed at expats, top management and Czech directors"⁵⁷. Purchase prices per square metre within this development range between CZK 80,000 and CZK 105,000 per square metre (£2700-3500). The most expensive property available within the development is currently for sale at just over CZK 20,750,000 (c. £623,000), and clearly is only a realistic purchase for the wealthiest TNPs and Czech nationals (see Table 5.3. for a full breakdown of information relating to River Diamond).

Table 5.3. Summary Data for Apartments in the River Diamond Development.

Type*	Number	Size range (m ²)	Price Range (million CZK)	Price Range (£ '000)	% under offer
Studio (1+kk)	11	32.3 - 57.4	2.78 - 4.4	83.4 - 132	100
2+kk	110	48.3 - 120	3.29 - 10.37	98.7 - 311.1	100
3+kk	72	83.1 - 147.9	5.05 - 10.5	151.2 - 315	72
M3+kk	33	120.4 - 159	6.66 - 9.23	199.8 - 276.9	55
M4+kk	12	151.4 - 178.7	15.71 - 19.39	471.3 - 581.7	58
M5+kk	2	194.4 - 194.7	20.37 - 20.75	611.1 - 622.5	100

* The number refers to the number of rooms (excluding bathroom), 'kk' indicates 'kitchen corner' (kitchen incorporated into living room) and 'M' refers in this case to an apartment with either a garden or roof terrace.

This development can be confirmed in its status as an elitist and secessionary space (Graham and Marvin 2001) by comparing the pricing to average property prices in Prague 8. The average purchase price per m² for new build apartments in the district is approximately CZK 50,000 (c. £1500)⁵⁸ whilst older flats average at approximately CZK 40,000 (c. £1200) per m². In addition to this,

⁵⁶ Interview with Keith (05/05/05)

⁵⁷ Interview with Keith (05/05/05)

⁵⁸ This data is based upon King Sturge (2007) and the authors own data.

the average wage for individuals working within the highest paid sector of Prague's economy, financial intermediation, was CZK 408,048 (c.£13,700) per year (Český Statistický Úřad, Various), suggesting that even a wealthy Czech citizen would have little chance of owning such a property.

River Diamond – and many of the similar projects in Prague 8 – can be seen as evidence of the creation of a landscape of economic and social exclusion that is simultaneously destroying the urban spaces of state socialism, and creating in its place a series of secessionary spaces retrenched behind the very real barrier of real estate pricing, physical gates and surveillance systems. The contribution made by such developments to the transformation of the historical character of neighbourhoods (in this case from a working and lower-middle class neighbourhood to one increasingly defined by affluent middle class professionals), echoes much of the research conducted on similar projects in established global cities such as London and New York (Smith 1996). These processes of re-classing are occurring throughout the city, though Prague 8 is a particularly marked example of these transformations. Neil Smith's work (1996; Smith and Williams 1986) has demonstrated how processes of gentrification and inner city regeneration contribute to the formation of a fragmented and revanchist city that has become representative of cities under late capitalism. Until recently, Prague's 'gentrification frontier' lay at the eastern edge of Vinohrady, Prague 2, with occasional processes of revitalization occurring beyond it in Žižkov and Vršovice (Prague 3 and 10 respectively). Nowadays the frontier extends as far as Vysočany (Prague 9) and Libeň (Prague 8), again areas traditionally occupied by the Czech working and lower-middle classes, as one informant⁵⁹ elaborated:

Neighbourhoods in which no one ever dreamed of living in 10 years ago now they're [developers] going in, buying apartment blocks really cheaply, doing them up, making them beautiful...Vysočany is the place now that has got, you go online, beautiful apartments, Vysočany is where working class people lived for so long and friends of mine who have lived out [t]here say that what's happened is

⁵⁹ Interview with Jack, a teacher at the International School of Prague (16/04/05).

that their rents have gone up, they're being forced out of their apartments basically.

The following case study will build upon this examination of the role played by property developers in the reconstruction of Prague 8 through an exploration of the role played by a British owned real estate agency and property management company, European Reality.

5.3.2. European Reality: Practicing Exclusion.

Having mentioned briefly in the above case study the role played by European Reality (ER) in the redevelopment of Prague 8, it is necessary to develop in further detail ER's history and broader role with Prague's real estate market. In 2005 when the interviews included here were conducted, ER was a small but ambitious company, set up in 2003 by the aforementioned British entrepreneur, Keith. He used to work for a telecommunications company in Prague during the early 2000s, setting up ER to fill what he described as the 'niche' in real estate customer service that existed in Prague, spurred on by the poor way he had been treated by Czech real estate agents during his stay in the city. In 2005, the firm employed six full time bilingual staff, as Keith saw bilingualism as a necessity of doing business in Prague, despite the fact that he himself cannot speak Czech. ER consisted, in 2005, of a rentals division referred to by Keith as, "...the gentleman you saw [in the office] next door", a one-man accountancy department and several other negotiators and real estate agents. By 2007, the company had expanded significantly employing nearly twenty people and having a property management portfolio with an approximate value of €185 million making it, "Prague's largest rental and property management team" (European Reality 2007). Unlike REKG, ER purely acts as a real estate agency, focussing entirely on new build apartments as this avoids contact with Czechs generally and Czech landlords specifically. Indeed, the complexities perceived by Keith relating to transactions involving Czech owned apartment buildings has influenced Keith's business strategy:

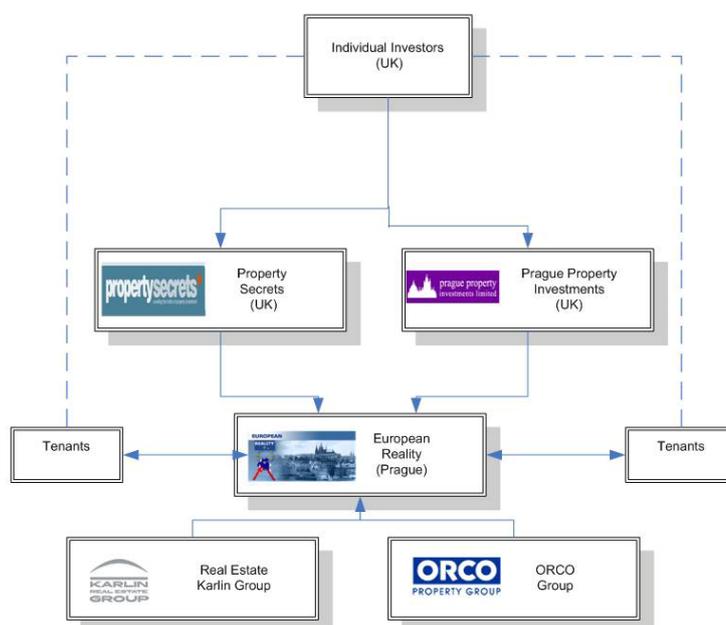
All the history involved, the ownership has changed, it's been in state hands, restitution issues, it can get very, very complex. Also the worst part of it I, you have to deal with, and it's a horrible thing to say, but you have to deal with Czechs. The Czech owners in Prague are mind blowing people...

Keith's rationalisation of what is essentially casual racism is bound up with what he perceives as a set of poor experiences of negotiating with Czech property owners, deepened by his own apparent lack of familiarity with the historico-political aspects of local business culture and a lack of Czech language skills. As he elaborates:

Trying to buy off a Czech is almost like a scene out of *The Life of Brian* when they're negotiating over the price of beer. "Oooh it's 18 dinars, no I'll give you 15 dinars. No you must haggle. You must offer me 10 dinars..." Ahem, anyway it's a strange way of doing it...we've had a gentleman's agreement on a price, gone away to sort the finance, come back a few days later and the agreement's changed, and they say, "until we sign a contract it counts for nothing anyway", which makes it a little difficult to do business...

The 'problems' that Keith experienced has encouraged him to move away from any dealings with Czech landlords, companies or individuals, focusing largely upon the buy-to-let market aimed at foreign investors. As he noted, this means that he only deals with, "...very organised, very well set up, very professional [companies]", specialising in new build developments.

Figure 5.3. Schematic Diagram of ER and Wider Institutional Associations.



ER essentially acts as an intermediary between foreign investors (both institutional and individual), potential tenants and property developers, fulfilling a variety of functions for each of the parties (see Figure 5.3). In 2005, Keith worked with two medium sized UK investment firms, Prague Property Secrets (PPS)⁶⁰ and Prague Property Investments (PPI)⁶¹, who purchase large numbers of flats in new developments to either sell or rent via ER to private clients. For example, according to Keith, in a new development of some 200 residential units, one of these companies would typically purchase 60 or 70 to sell to individual investors in the UK, who would then look to rent these apartments out, using ER as the property management company and rental agency. Whilst many new developments are granted planning permission on the basis of urban regeneration and the provision of new housing stock, the reality is that many apartments are purchased by overseas clients, site unseen, involving transnational circuits of capital speculatively purchasing property (see Ball 2007 for a useful overview of speculative investment regionally) with no guarantee of finding tenants. Indeed similar processes are occurring in Jinonice, Prague 5 whereby Russian capital has stimulated an increase in new build apartment construction, and these new properties are purchased, held by the owners and then sold on to another investor at a higher price⁶². Such practices mean that certain developments in this district of Prague are uninhabited throughout the year.

Keith's specific role within these circuits of capital is to pitch new developments to clients (PPS and PPI for example) on behalf of the developer (for example REKG), and to source tenants and perform agency and landlord functions for the new owners and tenants. These agency functions include mortgage brokerage, securing residency permits, setting up and registering a Czech company in the name of the purchaser (a legal and regulatory requirement in the Czech Republic for foreign property owners prior to EU accession) and performing property management functions on behalf of the (often) absent landlord. Therefore, ER's emphasis is placed firmly upon the buy-to-let market, dealing with a largely foreign group of investors, landlords and tenants. Such

⁶⁰ Available online at <http://www.propertysecrets.net> [last accessed 28/02/07]

⁶¹ Available online at <http://praguepropertyinvestments.net> [last accessed 28/02/07].

⁶² Interview with Jack (16/04/05).

practices are indicative of an increasingly complex array of property and financial markets that are spatially manifested through the production of exclusionary and secessionary residential spaces catering to an emerging class of young professionals and 'virtual' residents.

ER's property portfolio focuses upon three distinct bands of property and classes of tenant or owner. These differences are based both upon the physical location of the property within the city, as well as upon factors including the aspect of the property, the presence or absence of secure parking facilities, the floor on which the property is located, as well as the local amenities and conveniences⁶³. The so called 'Band 1' properties typically sell for CZK 30-38,000 per square metre and are rented out for approximately CZK 11-13,000 per month (£370 to £440) and are aimed at potential Czech tenants as the rental price is not out of their price range. Such properties are not aimed at expatriates at all, though Keith may well get several interested tenants. The second, intermediate band of properties, retailing for between CZK 50-60,000 per square metre and renting for approximately CZK 20,000 per month (c.£680) is aimed at the 'aspiring middle classes'. Most of the properties dealt with by Keith in this category are located in Karlín, Prague 8, targeted in part at Czech professionals – doctors, dentists, lawyers, what he terms, "...your classic trades", but primarily at the expatriate market. The final band, or the 'top end', consists of penthouse apartments located in specific developments such as River Diamond in Prague 8. These apartments are aimed at wealthy, high earning Western expatriates and diplomats, who can afford to buy a one bedroom flat for CZK 7,000,000 (c. £235,000) or pay rent of over CZK 43,000 per month (c. £1450). The fact that ER does not have a property development section does not serve to remove the firm from the network of actors that is so substantially transforming the district of Prague 8. By acting as the intermediary between international investment capital, the Czech Government (for work permits and company formation duties pre 2004) and foreign tenants, ER is complicit in the creation of an increasingly exclusionary and polarised real estate market as well as a series of exclusionary spatial forms that are transnational in form (Olds 2001), serving to weaken the historical and class character of certain districts.

⁶³ Interview with Keith (05/05/05).

5.3.3. ORCO Property Group.

Unlike the two case studies discussed above, ORCO Property Group is a publicly listed company and is therefore open to more rigorous scrutiny than is possible for KREG and ER. ORCO Group is one of the largest and most financially successful property developers and agents within Eastern Central Europe, having offices and running projects in the Czech Republic, Slovakia, Poland, Croatia, Hungary, Russia and Germany. The company is currently expanding into Romania, the Balkan states as well as the Ukraine. The company is registered in Luxembourg, has a board of directors who are all French and they have recently floated on the French Stock Exchange, EuroNext, and are listed on the Second Marché (equivalent to the FTSE 250), as well as the Prague Stock Exchange and the Zagreb Stock Exchange. A leading stock brokerage firm in Prague (Patria 2005) has estimated ORCO's property portfolio as follows, broken down into five key areas. First, Patria estimates that ORCO currently own 21,000m² of leasable office and luxury apartment space in Prague and Budapest, with a further 36,000m² of offices under development. Second, the extended stay hotel arm of ORCO (MaMaison Residences) amounts to four such developments in Prague and one each in Budapest, Bratislava and Warsaw. Third, ORCO own 5 hotels, with one 161-room project currently under co-development with Marriot Hotels. Fourth, IPB-Real (a newly acquired ORCO company) owns 140,000m² of land with planning approval (amounting to some 2,000 newly built flats) and owned 602,000m² of land with planning permission pending, accounting for some 35% of market share in Prague. Finally, ORCO holds 20,000m² of retail space, located in Prague 2, Vinohrady. Indeed, the same analysis estimates ORCO's total managed assets at €700m and operating revenues of €119m for 2006. Clearly ORCO is a significant real estate actor regionally, but within the city of Prague, the company's domination of the luxury housing sector particularly is second to none.

Within Prague itself, most of ORCO's renovated housing stock (Plate 5.2 overleaf) are located in Vinohrady, Prague 2, a fashionable inner city neighbourhood a short walk from the central business district, boasting a vibrant

club and bar scene⁶⁴. The area is also home to a large number of TNPs, who view the area as a happy compromise between living on the urban fringe and living in the centre of town. In fact, Vinohrady was a popular residential district before the communist takeover in 1946, housing much of the cities upwardly mobile classes and bourgeoisie, reverting to a socially mixed neighbourhood under communism before again becoming one of Prague's most popular residential districts.

Plate 5.2. Gentrified Housing, Náměstí Mírů, Prague 2 (Source: The author, April 2005).



Will, a real estate agent with ORCO, discussed candidly the role of the company within Vinohrady, and admitted that almost all of ORCO's renovated housing stock is in this district, with several new build apartment blocks also. Their new build properties and villa developments are primarily in parts of the city with good transportation links, land prices lower than that in Prague 1, and one of their most exclusive developments, Dubový Mlýn, is located in suburban Prague 6 in the picturesque Šarka Valley. The target market for ORCO's residential portfolio are solely TNPs and the very wealthiest of Czech nationals. Indeed, Will, a real estate professional with ORCO, presented a succinct definition of the company's client base:

We cater to the expat[riate] market. We speak English, we answer the phone in English, we do maintenance in English, you know...we might have 3

⁶⁴ See Chapter 4 for a discussion of the historical development of Prague.

or 4 Czech clients that actually live in our apartments⁶⁵.

When one considers the number of apartments and the amount of housing stock at ORCO's disposal, the small number of Czech clients seems even more remarkable. Such a skewed client base is primarily a result of the high rents charged. A 110m² flat in Vinohrady costs CZK 45,000 per month (c.£1500). Given that, according to Czech census data, the average wage for a Czech national working within financial intermediation was CZK 34,000 per month (c£1150), the potential for exclusion on the basis of earnings is significant. The rental value mentioned by Will and quoted above is for a standard furnished flat in an apartment, whereas the market rent for a duplex apartment in the luxury, gated community of Americka Park is approximately CZK 115,000 per month (c£3900).

Americká Park is seen as ORCO's flagship housing development in Prague and is home to a number of top executives⁶⁶ and diplomats⁶⁷, and boasts a number of features designed to appeal to a wealthy class of elites. Spatially, the development is divided into three specific forms and four buildings, one of which is designed for short term rental (consisting of 14 apartments), one designed for the sales market (consisting of 12 apartments) and 17 apartments making up an, "...extended stay hotel" (<http://www.americkapark.cz/home.htm>). The marketing literature also promotes the fact that:

Video surveillance of the buildings, security cameras installed in the fencing around the plot, access to all areas only with magnetic security cards...and the 24 hour guard...will assure the privacy and safety of the tenants and make sure that nobody will be able to enter the area without permission⁶⁸

The apartments can be fully furnished (for extra cost) and are all fully equipped with high speed internet access, satellite television and an electronic alarm system. Residents also have access to full gym, swimming pool and spa facilities as well as a concierge service that can arrange concert tickets,

⁶⁵ Interview with Will dated 25/10/04

⁶⁶ Interview with Barabara dated 23/10/04

⁶⁷ Interview with Keith dated 05/05/05

⁶⁸ See <http://www.americkapark.cz/comfort-1.htm> [Last accessed 27/05/05]

laundry, grocery shopping and a host of other benefits for individuals who seek the luxurious and quiet life. Additionally to this, a resident also has the option to join the *ORCO Membership Program* which provides discounts for "...quality restaurants and shops in the close vicinity and city centre". Clearly, such a project provides a plethora of services for the professional resident, although it does come at a price. A standard apartment is being sold at CZK 21.2 million (c. £719,000) which excludes all but the wealthiest Czechs, but falls well within the remit of professional TNP or MNC intending to purchase and invest in property within the city.

The market for the apartments offered, therefore, is subdivided by transnational class position. Whilst they are clearly aimed at professional employees (lawyers, advertising and other producer service professionals), most Czech employees working in this sector still cannot afford to live in an ORCO property. Additionally, the fact that the majority of their inner city housing stock is located in Vinohrady, Prague 2, means that potentially an entire city district is becoming 'classed' in such a way that restricts access and entry to the housing market for Czech residents, placing even further constraints upon an already tight private rental market. Before the widespread restitution of property during the early 1990s and the re-emergence of pre-1946 class relations, according to Eskinasi (1995), 93.5% of the housing stock in Prague 2 (of which Vinohrady is part) was owned by the state and therefore open to redistribution by the communist party. This meant the area was socially mixed like much of central Prague, a state of affairs that has been radically altered by the twin processes of privatisation and restitution, as well as by the involvement of foreign companies such as ORCO. Therefore, it is appropriate to note that the combination of rapid marketisation during the early 1990s, combined with the internationalisation of the property market and of migration flows has led to the formation of elite housing districts occupied by individuals who have the ability to pay inflated rental prices, often foreign professionals, diplomatic staff or the very richest of Czech nationals.

The three case studies presented above are intended to provide entry points to demonstrate the role played by international financial capital and TNPs in the production of certain exclusive, and exclusionary, residential spaces in Prague. However, the role of TNPs in the *production* of these real estate complexes

presents only the one side of the story as TNPs are also intimately bound up within the *consumption* of such spaces. The following section will therefore examine the role in TNPs in the consumption of luxury real estate, by exploring the residential time spaces of these individuals. Additionally, such an examination enables an engagement with the ways in which TNPs construct such spaces as 'home' differentially over time. I argue that, following arguments outlined in Chapter 2 and developed further in Chapter 6 regarding multiple forms of capital and everyday practices, the housing practices of TNPs form distinct trajectories that are reliant upon place based cultural capital and knowledge, that develops temporally through experience. Indeed, whilst the developments discussed above are often positioned as being 'homes away from home', the reality is that behind the luxurious facades and security measures, these spaces actually contribute negatively to the perceptions and practices of TNPs in Prague by limiting the scope of everyday practices.

5.4. CONSUMPTION STORIES: HOUSING TRAJECTORIES AND MULTIPLE FORMS OF CAPITAL.

In addition to the socio-spatial impacts of TNPs working within, and owning, real estate development companies and agencies, I now continue by considering TNPs as housing consumers and the role they play in reproducing these secessionary and enclavised spaces. By doing so, one can begin to deconstruct much of the marketing rhetoric and commodity fetishism that surrounds the production of luxury housing. When discussing the experiences of the research informants in the real estate markets and, more importantly, their everyday experiences of living in luxury housing developments, it is possible to understand some of the fallacies inherent to the term 'luxury', as well as critiquing the different meanings of the word to property developers and tenants.

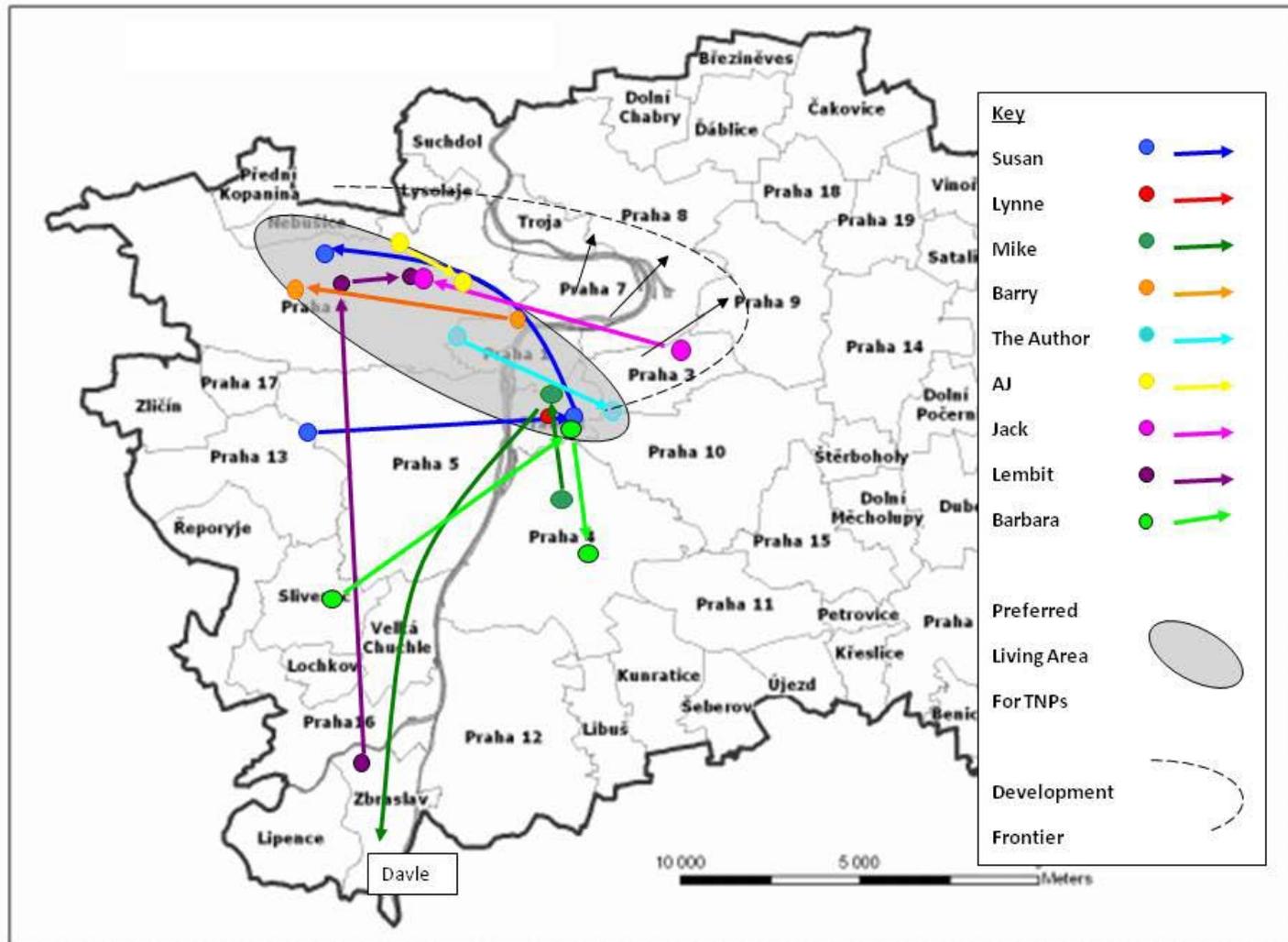


Figure 5.4. Housing Trajectories of Key Research Informants (Constructed from interview transcripts).

By understanding that the everyday experiences of those residing within such developments are not necessarily contiguous with those espoused by the real estate developers and agencies, it is possible to offer some insights into the difficulties that TNPs have in constructing a sense of home and a sense of place. In order to provide a nuanced critique of residential experiences within Prague, it is important to consider the mechanisms that govern housing choice, as well as understanding the spatio-temporality of an individual's trajectory within the Prague real estate market. Within the interviews, three particular areas were identified, centring upon Prague 1 (the historic core), Prague 2 (Vinohrady and Vršovice) and Prague 6 (Figure 5.4. previous page). However, it is important to point out that new housing developments, particularly in Prague 8 (Karlín, Vysočany and Libeň) are beginning to disrupt the previously well established geographies of TNP housing in the city. Figure 5.4 provides an illustration of the residential trajectories of number of key informants, demonstrating that Prague 2 and Prague 6 were the most popular locations in 2004 and 2005, although residential location has a distinct temporal component, with individuals often moving initially to Prague 1 or 2 before moving to Prague 6 or other more suburban areas. These temporalities of housing choice and location are, I argue, intimately bound up with an individual's everyday practices and governed by their levels of place based cultural capital (see Chapter 2 for elaboration). Therefore this section progresses through a discussion examining the reasons why TNPs choose to live in certain areas of the city and in certain types of luxury developments, and how such choices are linked to the everyday practices and multiple forms of capital discussed in further detail in Chapters 6 and 7.

Important in understanding the residential choice of TNPs is the role played by an individual's specific life course position⁶⁹ and the levels of place based cultural capital they possess - the specific set of knowledges that enable a full and diverse everyday life. All of the research informants noted that Prague 1 was the area in which most young, single and wealthy TNPs lived due to the status, attractions convenience that city centre living offered. Prague 2,

⁶⁹ See Chapter 7 for a further discussion of the importance of life course position and how it affects changes in everyday practices and the production of space.

specifically Vinohrady, tended to appeal to more established single professionals as well as couples with no children, and was often referred to as being lively and 'cosmopolitan' without possessing many of the drawbacks that city centre living offered. For example, a common complaint among former residents of Prague 1 was the sheer impracticality of conducting everyday life there, despite the initial attractions it offered, especially in the tourist season:

Prague 1 becomes this like honeymoon stage for a person that lives here, they want to be part of this downtown area where everything is beautiful. I mean Prague is beautiful too but when you first come here...I did that for the first year and it's just, you know. The number of tourists is overwhelming compared to the size [of the city]⁷⁰

This idealised notion of city centre living is another commonality amongst the interviewees, and those who have lived in the city centre often only do so for a year or less, until the impracticalities of the location emerge and a more detailed understanding of the geographies of Prague develops (see the discussion of retail and consumption practices in Chapter 7).

Indeed the imaginary construction of certain spaces as being 'ideal' is a constant theme, especially amongst those living within luxury developments, whereby individuals subscribe to the concept of luxury living rather than considering the practicalities of everyday life in such spaces. For example, Lynne⁷¹ notes that whilst Americká Park⁷², Vinohrady, was a central reason for her and her husband living in the district, the reality of living in such a space is somewhat different:

It was, it seemed really secure as well. There's no sort of, well, he's [Lynne's husband] paranoid about the car being stolen, you know, it has an underground garage. It's supposed to have cameras, but there aren't any. They're there but not connected to anything⁷³.

⁷⁰ Interview with Will dated 17/05/05

⁷¹ Interview dated 07/04/05.

⁷² A gated apartment complex in Vinohrady, Prague 2, built and managed by ORCO.

⁷³ This last sentence merits special attention as, anecdotally at least, it could be seen both as a descriptor of the nature of luxury itself and the isolation present during a TNPs early stages of life in the city.

The final primary TNP residential area is Prague 6, particularly for TNPs with families, as the International School of Prague is located in the district and is seen as one of the leading schools in the city. Furthermore, Prague 6 has excellent transport links to the airport and to the city centre, as well as a relaxed suburban ambience with large areas of parkland and green space. Several interviewees had also lived in areas of the city such as Jinonice (Prague 5/13), Nusle (Prague 4), Zbraslav (a commuter village several miles south of Prague) and Davle (another commuter village). Whilst there are certain similarities between the housing preferences of the research informants, these preferences also change over time as levels of place based cultural capital increase, especially through the accumulation of knowledge relating to the geographies of Prague's housing markets (see the discussion of Bourdieu in Chapter 2 and Figure 7.3) and as an individual's personal situation alters. The next section will therefore begin to unravel some of these complexities, in order that a more nuanced understanding of the production and consumption of luxury real estate can be arrived at.

5.4.1. Multiple Forms of Capital and the Residential Time-Spaces of TNPs.

In forming a conceptual apparatus to analyse the complex geographies of TNP housing trajectories in Prague, it is vital to situate such processes within the context of the theoretical debates outlined in Chapter 2, as well as in relation to the empirical discussions of social group formation and everyday life to be discussed in Chapters 6 and 7. By drawing specifically upon Bourdieu's (1979, 1986) conceptualisation of multiple forms of capital it is possible to see how housing choice is not merely based upon the ability to pay, but is intimately bound up with the levels of place based cultural capital possessed by an individual, in addition to the ways in which TNPs construct notions of 'home' and 'belonging' (Blunt and Dowling 2006). The discussion presented here draws upon the commonalities (and differences) in residential experiences of TNPs to develop an understanding of residential time-spaces, bringing together recent research on transnationalism and home (ibid) with Bourdieuan theories relating to multiple forms of capital. Central to such a discussion, as I will discuss further in Chapter 6, is the role played by place in the imaginary and concrete-real geographies of everyday practice.

The initial entry conditions for a TNP⁷⁴ into the Prague housing market hinge upon whether or not the individual has lived in the city before and is familiar with the basic geographies of the city, and it is these factors that most strongly influence initial choices in the housing market. Two interviewees (Jack and Mike) lived in the city prior to the collapse of communism on student visas and had a practical knowledge of the geographies of the city, whilst another interviewee (Barbara) had lived in the city for a year after finishing university in order to teach English and take a 'year off' before entering the world of full time work. These experiences of living within the city, although brief, served to impart the individual with a set of practical knowledges (a form of place based cultural capital), not specifically in terms of the real estate markets, but in terms of the more everyday and taken for granted aspects of living in Prague (see also the discussion of my own everyday life in Chapter 7). As a result of these experiences and heightened levels of place specific knowledge, these individuals have taken different pathways through the housing market compared to people who are new to the city. For example, Barbara – a commercial lawyer – lived in a traditional block of communist style flats during her stay in Prague in 1994 and, since pursuing a career as a lawyer in London and New York, has lived in areas of Prague not traditionally associated with TNPs, such as Podolí, Prague 4.

The second group of individuals are those who are sent on a placement to Prague by their companies and who, in many cases, settle permanently within the city. Before relocating to the city, these individuals either employ the services of a relocation specialist, or spend a few days in Prague investigating the city and indulging in some sight-seeing before making the relevant contacts with real estate agents. Additionally, a number of multinational firms own residential property within the city that is provided to newly arrived TNPs so that they can 'find their feet' within the city before entering the local housing market as either private tenants or owner-occupiers. If someone is making use of a

⁷⁴ I refer to the TNP in the singular form as the research informants were interviewed on an individual basis, not alongside spouses or other family members. It would therefore be problematic to conflate the opinions and experiences of the individual into the experiences of other household members.

relocation specialist, then they provide their housing requirements and the specialist makes enquiries via a network of contacts within the real estate industry, often with companies such as ORCO or ER. Given that many of the relocation specialists are TNPs themselves, and several prominent real estate agents have backgrounds within the relocations sector, and the relocators are in some cases former real estate agents, there is a certain amount of mutual cooperation between companies such as ORCO, relocation companies, as well as with the multinational companies that TNPs work for. As Will pointed out:

With my relocations experience I was in touch with...all of the human resource managers of the companies that employ expatriates. So that gave me a whole scope of people to work with, especially on the leasing side of things⁷⁵

Therefore whilst there is often an implicit assumption that TNPs live in certain areas purely out of individual choice and their ability to pay for certain properties, such 'choices' are often mediated and translated through a complex network of TNP-focussed real estate gatekeepers, who employ filtering mechanisms that often exclude certain parts of the city or cheaper apartments believed not to be suitable for newly arrived TNPs⁷⁶. Such filtering mechanisms, agents and networks often direct TNPs to properties in certain parts of the city (E.g. Prague 1, 2, 6 and nowadays 8), often developed by their own company. By playing upon a newly relocated individual's lack of knowledge of the city and the housing markets, these gatekeepers reinforce the dominance of the luxury end of the housing market over the Czech focused sector, contributing to a housing market that is skewed toward the production of luxury properties, leading to the formation of a dual market. As Mike⁷⁷, a long term resident of Prague pointed out:

That's true across many aspects of life here. There is this polarised, it's like, it's kind of, it is a separation, you've got this boundary layer which is interesting, but it is very, very narrow.

⁷⁵ Interview with Will dated 25/10/04

⁷⁶ The institutional linkages and frameworks present within housing markets have been discussed in detail by Saunders (1981 and Williams (1976, 1978), focusing upon both Marxian and Weberian theories of housing and class struggle. Recent research by Aalbers (2005) has developed these discussions by examining the processes of redlining in the Netherlands.

⁷⁷ Interview dated 09/05/05

Such processes also act to the detriment of newly arriving TNPs by channelling them into overpriced property in areas of the city that may be far from ideal for the tenant. For example, the rise in the construction of gated new build apartment blocks and suburban gated 'communities' by developers such as REKG and ORCO has led to more and more TNPs being persuaded into (and accepting) living in such developments, due to the ways in which such developments are scripted by agents as being hubs of diasporic *communities* whereas many such developments actually foster introspection and isolation rather than any notion of community. As one informant, Barbara, noted after visiting friends in the gated development of Malá Šarka:

Barbara: It was absolutely, totally sterile in a really frightening way. They all have their barbecues out the back, and they all try to socialise, and the kids try to get to know each other then the families leave after 6 months or leave after a year. There's no continuity with friends and neither do the parents [sic]. I just find it a really awful place actually, but lots and lots of expats go and live there. It's safe, they don't have to deal with stuff...they don't have to deal with all the...Czechiness that can sometimes be annoying.

Andrew: If you're not used to it and don't have the time to adjust you land and just...

Barbara: Yeah. That way they can be in a really cushioned environment without having to touch Czech society in any way⁷⁸

These themes of dislocation and separation from 'Czech society' are important to note as it provides clear evidence of social segmentation. However, aside from reinforcing social cleavages along the lines of nationality, these developments also discourage interaction and sociality between TNPs themselves as alluded to by Lynne in a discussion of life in Americká Park, Prague 2:

Well we thought it would be excellent when we moved in [be]cause we thought, um, we were told [by the developers, ORCO] that it would be expats living there, a great way to meet people, make friends and everything, um, and we rarely see anyone...⁷⁹

⁷⁸ Interview dated 23/10/04

⁷⁹ Interview dated 07/04/05

Despite the contribution to social isolation by such luxury developments, it is important to note that such spaces merely serve to reinforce and promulgate already existing fragmentations. Whilst, individuals interviewed who have had experiences of living in Prague 1 or gated communities during their stay had generally negative experiences of them, even the most positive saw such developments as merely a way of 'making do' due to issues of location and security:

It's very clean, and there's 24 hour patrols, you know with the security people et cetera, which some people find attractive...I find the place all a bit soulless really.⁸⁰

Given the nature of the luxury real estate complex and how it governs the geographies of TNP housing, especially during the early stages of a TNP's stay within the city, we can begin to understand how and why many individuals decide to relocate to another area of the city or to a different form of housing.

The mechanisms and processes that lead to a residential relocation in Prague are bound up within two mutually constitutive fields. The first relates to social networking and the way in which cultural capital (particular place based cultural capital) are disseminated and converted through these networks, whilst the second concerns broader issues concerning the quality of everyday life that individuals living within certain developments and parts of the city experience. As has been outlined above, an individual's place based cultural capital relating to Prague and specifically the housing market is often second-hand and mediated by various agencies and networks or, in many cases, is completely non-existent especially for TNPs on placements with MNCs. This relative lack of place specific cultural capital combined with relatively high levels of financial capital (especially during the early stages of their stay), mean that many individuals are more than willing to submit to the suggestions made by real estate agents and are financially able to pay the high rents for properties suggested. The processes of socialisation and the role of micro-personal networks, discussed in Chapter 6, are vital in increasing a new arrival's place

⁸⁰ Interview with Susan 21/05/05.

based cultural and social capital enabling contacts to be formed with different individuals and an increased knowledge of, in this case, the real estate market. For example Barry⁸¹, a commercial lawyer, enrolled his Czech girlfriend to negotiate rental prices on his behalf in order to navigate the perceived discrimination of Czech landlords towards TNPs:

...I've just moved to a new flat, I sent my girlfriend round. Because they [the Czech landlord] will say, "oh it's someone Czech, we'll knock it [the price] down more".

Whilst prior to arrival, TNPs are generally directed towards established TNP areas of the city, through talking and socialising with people both within, and beyond, the workplace, individuals learn about which areas of the city offer good value for money and quality of life. In addition to gaining orthodox knowledges concerning the housing market, these initially hyper-social networks (discussed in Chapter 6) inform individuals about a number of different tactics, strategies and ways of making do that enable a wider field of choice in terms of housing location and the ways in which certain practical problems can be resolved.

Such ways of making do and getting by can either take the form of not using TNP focussed real estate agents or deciding to avoid certain parts of the city in light of newly gained knowledge. A prime example of the latter tactical form was provided by Barry. When he arrived in Prague, he initially rented an apartment in Prague 1, near Wenceslas Square and stayed there for three years prior to moving to Prague 6 in 2003. He decided to relocate in order to remove himself from the 'hub' of everything and to create a sense of distance between work and home. As a result of the knowledge he had gained through friends, work colleagues and most importantly, his Czech partner, his relocation was made easier in several ways. First, the knowledge he had gained specifically regarding the geography of the city encouraged him to relocate to Prague 6, something that he did not consider when he first arrived in the city, admitting that he had been taken in by the 'beauty' and 'bright lights' of the city centre. Second, Barry has used the specific knowledge he has gained about house

⁸¹ Interview dated 12/10/04

prices and the 'dual market' discussed above, to negotiate rental prices in a certain way that is financially beneficial to him:

My...experience was that if you go on your own and look round flats, they give you a completely different rental price to if you're Czech and you go to look at exactly the same flat.

In response to this perception, and one that reinforces, albeit in a different way, the discussion of dual markets, Barry uses his partner as a real estate 'decoy'. His experiences of renting his apartment in Prague 1 encouraged him to adopt this tactic as he had observed a visible 'gap' between the prices that were being asked and what would be accepted:

Certainly the first few flats I was looking at, was being quoted about 2,200 Euros a month. I'd heard about this [overpricing] and wasn't sure so someone from work went and looked at the same flat and didn't say they were from [Barry's law firm], went to look at the same flat and were offered it for 1,400 Euros...

Again the construction of a dual market, as discussed earlier in the chapter, is framed by both the mediatory and translatory activities of TNP-focussed real estate companies as well as by a perception of Czech agents and landlords actively discriminating against individuals on the basis of nationality and occupation. The tactics employed by Barry in this context serve as a useful example of how increasing levels of cultural and social capital (including the conversions between the two forms), enable the diffusion of heterodox knowledges that in turn impact upon residential mobility and can potentially greatly increase the quality of life for many individuals. The second key motivator behind an individual's specific housing trajectory is explicitly concerned with the quality of their everyday life, within which social networks play an important role. The next section focuses upon material drawn from two in-depth interviews, discussing the changing requirements and perceptions of housing that are intimately bound up within the practices of everyday life.

5.4.2. *Everyday Life and Housing: Luxury, Isolation and the Fetish.*

Moving on from the discussion concerning the role played by social networks and multiple capital forms in influencing residential choice, the purpose of this section is to examine the role of lived experience within two individuals' space-time pathways. These two cases provide further illustration of life within two different new-build luxury developments discussed above, the gated apartment complex Americká Park, Prague 2, and the gated villa development of Malá Šárka, Prague 6. The first case study presented is that of Lynne, the wife of an executive working for a French owned, multinational wine and spirits company. After leaving Australia with her husband when he was posted to Vienna for 18 months, Lynne sacrificed her own career as an occupational therapist and can describe herself as an unwilling 'lady who lunches'. Lynne and her husband had at the time of the interview lived in Prague for just over a year and reside in Americká Park (Plate 5.3), a project completed in 2003 by ORCO.

Plate 5.3. Americká Park, Vinohrady. (Source: The Author, October 2004)



As noted earlier in this discussion, Americká Park boasts many of the features that one would associate with luxury living in a contemporary city: security card access, 24 hour security, an on-site bar, secure parking, video surveillance and members only spa facilities on site. The bar and spa facilities when combined with 'luxurious' gardens and barbecue space are aimed at fostering a community spirit amongst its residents who may be new to the city. One employee of the development company has attempted to defend the gated nature of the community:

It's not trying to be separatist, it's just that all these people are from the same tax bracket, and they need to be around these people to be happy

(Will, quoted in Cardais 2004).

This invocation of happiness, as being linked somehow to being surrounded by people earning the same amount of money and supposedly sharing the same tastes, indicates that through the creation of a closed and gated housing development, one of the primary potential attractions for residents is to form a sense of home and belonging through social relationships and friendships with neighbours as well as through the materialities of the space itself.

Lynne and her husband discovered the development via her husband's secretary who contacted estate agents in Prague and arranged a viewing of the apartment. The rationale for Lynne⁸² and her husband for choosing the apartment was as follows:

Firstly, it was a block from [John's] work...We really liked the space, we liked the fact it was in a park area...you don't sort of look out of the window and just see another apartment block. It was, it seemed really secure as well.

Despite the initial physical attractions of the property, primarily concerning its location and security, the reality of actually living within the development and developing a sense of 'home' and 'community' proved markedly different from how it was presented by the property developer, ORCO. First of all, the quality of the physical finish was poor in comparison to the 'extortionate' rents that they were paying:

Also [sic] in our apartment the door frames, like it's glued on, it's not, never been kinda nailed...We've got the top apartment, and it's like two storeys and our bedroom is in the roof, so it's super hot, so they installed an air conditioner, and it didn't work for the entirety of the first summer which was when we had that heat-wave in Europe...the electricity didn't work, there were no lights when we moved in, the internet didn't work, you know...The security cameras don't work...⁸³

⁸² Interview dated 07/04/05

⁸³ Interview dated 07/04/05

Clearly, there is a significant gap between how a luxury apartment is marketed and branded, and whether or not it lives up to the expectations that are engendered. This is again an example of how properties are fetishised as commodities by developers and real estate agents, and how apparent quality (or more accurately the *vener* of quality) masks the labour processes and material used within the physical construction of the property. Furthermore, aside from significant problems with the physical structure of the apartment, the development as a whole has failed to live up to Lynne's expectations in terms of the social opportunities that such a development should provide. The apartment, and indeed the complex, was marketed by the developer as being an 'expatriate' development, and the facilities present (a bar, sauna, gym and barbecue area) would serve to encourage a sociality between the different residents and a sense of home. However, mirroring the disappointing physical quality of the development, the social facilities on offer are not maintained by the developer. For example, the bar is never stocked with alcoholic drinks despite promises that the bar would be the focal point of the development, and no residents use the facility as it is never open and the barbecue area is not illuminated. Whilst apparently trivial problems that could be seen as an encouragement to actually *leave* the development to socialise, the fact that such facilities were used to justify the high rents of the apartments points clearly to the distinct gap between the marketing material involved in a luxury housing development's production and the reality that surrounds its consumption. The central contradiction then, is that whilst supposedly fostering community spirit, neighbourliness and sociality, this particular development contributes to the social isolation of residents not only from the local neighbourhood through physical gating and technologies of surveillance, but also from each other within, and beyond, the development itself thereby inhibiting community formation and the socio-cultural construction of home, as discussed in the previous section.

The second case study of relevance here is the experiences of Susan who has lived in Prague since 2000 and has recently moved into a gated villa community in Malá Šárka, Prague 6. Susan arrived in 2000 without her husband and

children in order that she could settle in for several months, find a suitable place to live and investigate a number of practical issues, particularly regarding schooling. Her first property in the city was an apartment provided by her company rent free, which she saw as being ideal in that she did not have to commit to signing leases or purchasing property immediately. The apartment was located in Nové Butovice, Prague 5, an area renowned for the presence of large blocks of communist panelák housing (see Plate 5.4). She found the experience infuriating at times:

The lift broke down between floors and it was in quite an unsavoury part of town opposite a crumbling, half built and now disused place where rats ran around and all this sort of stuff⁸⁴.

Despite the initially depressing experience of living in this area of Prague, Susan motivated herself to 'make do' by constantly remembering that she wasn't paying any rent and was only an hour from Paris. She also saw living in Prague 5 as useful and worthwhile as it allowed her insights into how many of her Czech colleagues live and what their daily lives would be like, therefore acting as a way of engaging cross-culturally.

Plate 5.4. Communist Era Paneláky, Nové Butovice, Prague 5. (Source: The Author, May 2005).



Following on from her initial experiences, Susan began to search for a property that would prove suitable once her family had relocated from Melbourne. After viewing over 40 different apartments, she found a large art nouveaux apartment

⁸⁴ Interview dated 21/05/05

in Vršovice, Prague 10. This district of the city borders the TNP area of Vinohrady, but has a more relaxed ambience, lower rents, and the bulk of the housing stock consists of late 19th and early 20th century apartment housing.

The apartment was, "...beautiful, [in] a lovely part of town", but the move was never particularly practical, due to the children's school being located across the river in Prague 6 and the fact that her office relocated shortly after she moved to Prague 10. Susan admits that renting a Czech owned apartment stemmed from a particularly romantic presumption of socialising and fitting in with the Czech neighbours:

I did have this...view, feeling that moving to a Czech area and I'll meet the Czech neighbours. Well, forget it. It just didn't, um, I think generally one just doesn't. You know, there's a bit of [a] suspicion of foreigners, and they certainly weren't welcoming and, "come over for a barbecue tonight". Which is partly understandable because my Czech was pretty poor and their English was pretty poor, so it wasn't really a match made in heaven.

Susan and her family lived in the apartment for a year and despite the exceptional quality of the property, living in Prague 10 simply became too inconvenient as her children attended the International School in Prague 6, her husband worked in the Northern Prague suburb of Suchbát, and she commuted into the centre of Prague following the relocation of her employer to Prague 1.

After leaving Prague 10, Susan and her family moved to a semi-detached villa in Malá Šárka, a gated suburban community in Prague 6 that surrounds the International School her children attend. Susan variously described the development as 'legoland' and 'expat land', hinting strongly at the homogenous physical and social structure of the development. She discussed at some length throughout the interview how strange she found the development, and how alien it was to her experiences of living in villa housing in Australia:

For an Australian we don't really have set-ups like that...When I came there, moved there, I remember thinking, "if I had a house here how would I ever pick which one it is?" They're all the same. It's very clean, and there's 24 hour patrols...which some people find very attractive, particularly West Europeans,

Americans, Scandinavians et cetera. They find that very...comforting. I find the place all a bit, you know, soulless really.

Despite the soulless and, 'placeless' nature of the development (see Plate 5.5 below), Susan scripted life in such a community as a way of making do, invoking the fact that she lives 5 minutes walk from her children's school, has good access to the airport (she spends at least 50% of her working life outside of the Czech Republic) and is relatively secure. Despite seeing the development as, "a bit too American", the location is perfect for her family's lifestyle and she is not reliant upon 'meeting the neighbours' as a social outlet, unlike Lynne who was reliant on the (non-existent) facilities within Americká Park for socialising.

Plate 5.5. Views of Malá Šárka, Prague 6 (Source: The Author, May 2005).



Susan's friendship network is diverse and whilst she knew several other TNPs from the Nebušice area, was good friends with a number of TNPs who sent their children to the International School. She also has a number of close Czech friends who let Susan and her family stay at their *chat'a* [country cottage] during the summer. Unlike Lynne, Susan found life in a gated suburban community strange but not in any particular sense alienating or isolated. Whereas Lynne was unemployed, had no children and few avenues for making friends outside of Americká Park, Susan had many more outlets for meeting people through work and her children's school. She could see beyond the fetish of the 'luxury' gated community and understand the relative merits and demerits of living in such a project, using her sense of humour to cope with the architectural and social homogeneity. Indeed, the constant references throughout the interview to

Desperate Housewives and *American Beauty*⁸⁵ indicate that Susan is fully aware of the culture of everyday life within such developments, and can use these references as a way of surviving within 'legoland'. Additionally, she also has previous experience of living in different parts of Prague, living in both the 'panelák city' of Prague 5 as well as the Czech dominated residential neighbourhood of Prague 10. Whilst still harbouring romantic ideals about living in a flat in a block of flats surrounded by Czech residents, the practicalities of living in Prague 6 significantly outweigh the 'soullessness' of the area, and by having a diverse group of friends living outside the development, the helplessness, isolation and introspection felt by Lynne have not been as profoundly felt by Susan.

5.5. CONCLUDING COMMENTS.

The discussions above provide the basis for a number of conclusions to be drawn relating to the impacts of TNPs on the production of exclusionary residential spaces in Prague. In Section 5.3 it was demonstrated that TNPs play an important role in the production of exclusionary real estate spaces within the city due to their role in a variety of real estate institutions. First, the nature of the recent developments in Prague 8 especially, should be seen as indicative of broader processes of uneven capitalist development that are leading to the production of an increasingly differentiated and exclusionary urban landscape. Whilst the construction of luxury housing developments in the district (and Prague as a whole) is promoting Prague's image as a global city and as a regional node for the producer services sector, the developments themselves are creating an increasingly fragmented and secessionary city. These housing projects (particularly River Diamond) contribute to these fragmented landscapes through both their gated physical form (evidenced by swipe card entry systems, surveillance technologies and secure underground car parking facilities) and the high prices of the apartments themselves. Indeed, the pricing strategy of REKG serves to prohibit the vast majority of Czech residents from ownership, whilst the role played by real estate agents such as ER, serve to deepen this exclusivity by marketing the properties solely to overseas investors. Such

⁸⁵ The former is a hit television show that follows the lives of the residents of a gated suburban community in the USA whilst the latter is a critically acclaimed film that draws out the isolation and introspection that such developments encourage.

practices are contributing to the production of an exclusionary market, largely serving the profit motives of international capital(ists) rather than the particular needs of the current residents of the district through the development of affordable housing in the city.

Second, the nature of the relationship between private investment capital and the municipal authorities provides credence to claims made by Feldman (2000: 847) who, discussing waterfront redevelopment in Tallinn, suggests that, "...institutional weakness and fragmentation...breed reliance on fluid and personalised [sic] networks instead of enduring partnerships, institutions or class interests...". Such fluid and personalised networks can readily be seen as existing between the municipal authorities and the private sector, particularly in the alleged corruption practices outlined in the discussion of REKG and ER, indicating a distinct asymmetry in the power relations existing between the municipal state and the private sector. According to Maier (2003: 216-219), the processes of regulatory liberalisation that occurred during the 1990s opened the planning arena to input from the community, as in the UK, but it seems that this 'opening' has mainly benefitted large private companies and capital groups (often foreign owned) rather than small and medium sized enterprises or local communities, as was perhaps intended. Indeed, the Strategic Plan for Prague (City Development Authority of Prague 2000) identified a lack of concerted cooperation between the municipal authorities, local businesses and the general public that has encouraged low levels of participation in the decision making process. This has reinforced the necessity of asking, as I do here, 'for whose benefit are these regeneration schemes intended?' The lack of public engagement and transparency has further reinforced the dominance of overseas investors and consortia in the development process, as well as demonstrating the relative fiscal and political weakness of the municipality. The requirement for increased transparency in the planning and redevelopment processes needs to be addressed, not only to tackle alleged municipal corruption, but also to ensure that regeneration projects are actually meeting the needs of local residents in the district and the needs of the city as a whole, particularly given deteriorating stocks *panelák* housing and the lack of affordable housing.

Third, and linked to these asymmetric power relations, is the complexity of the urban regeneration architecture that exists in Prague. The articulations and networks of actors and institutions comprising of developers (REKG), construction companies, overseas investors (both individual and institutional such as PPS, PPI and MRREG) and real estate agents, means that implementing meaningful regulation of foreign investment into property markets is a challenge. As a result the various legislative checks in place appear to be somewhat permeable and dysfunctional. This is borne out by the fact that CzechInvest (the Czech Republic's foreign investment agency) had no knowledge of the involvement of Marc Rich in the regeneration of Prague as they do not monitor the activities of foreign companies in the Czech Republic. In fact CzechInvest fear that such monitoring would be seen as 'discriminatory' toward investors (Mainville 2000). The difficulties of regulation stem from the complex nature of the skein of actors and institutions involved, and the variety of different scales through which they operate, as well as the aforementioned fiscal weakness of the municipality. The transnational nature of these networks encompassing investment companies based in Austria, Switzerland and the UK, as well as a number of smaller companies based in the Czech Republic and the wider region means that their activities cannot be effectively regulated by national and municipal mechanisms.

Fourth, the redevelopment of Prague as a whole can be seen as indicative of wider processes of transformation, not transition, that are ongoing within many post-socialist cities. Processes of liberalisation, privatisation, restitution and internationalisation, traditionally seen as indicators of 'transition' toward an imagined end state of neoliberal capitalism, are combined with the legacies of state socialism (the physical fabric of the city, weak municipal governance and the inheritance of a deteriorating infrastructure) to produce a particular set of practices of urban renewal. Following Feldman (2000), I suggest that the characteristics of urban regeneration in Prague 8 particularly (the reliance on foreign capital, the importance of personal networks and the fiscal and political weaknesses of the municipality) should not be seen as a midway or transitory point between the state socialist era and the imagined goal of 'mature', 'Western' institutions and practices. Rather then, I posit that the situation

present in Prague should be seen as specifically and distinctly post-socialist, following Stenning and Hörschelmann (2008) who argue for the further recognition of 'actually-existing post-socialism', rather than subsuming understandings of post-socialism into dominant universalist discourses of globalisation and transition. Indeed, there is little evidence of a translation of urban regeneration practices popular in the 'West' such as public-private partnerships or the entrepreneurial city (Maier 2003) as may have been expected considering the various transformations to the Czech economy and society post-1989.

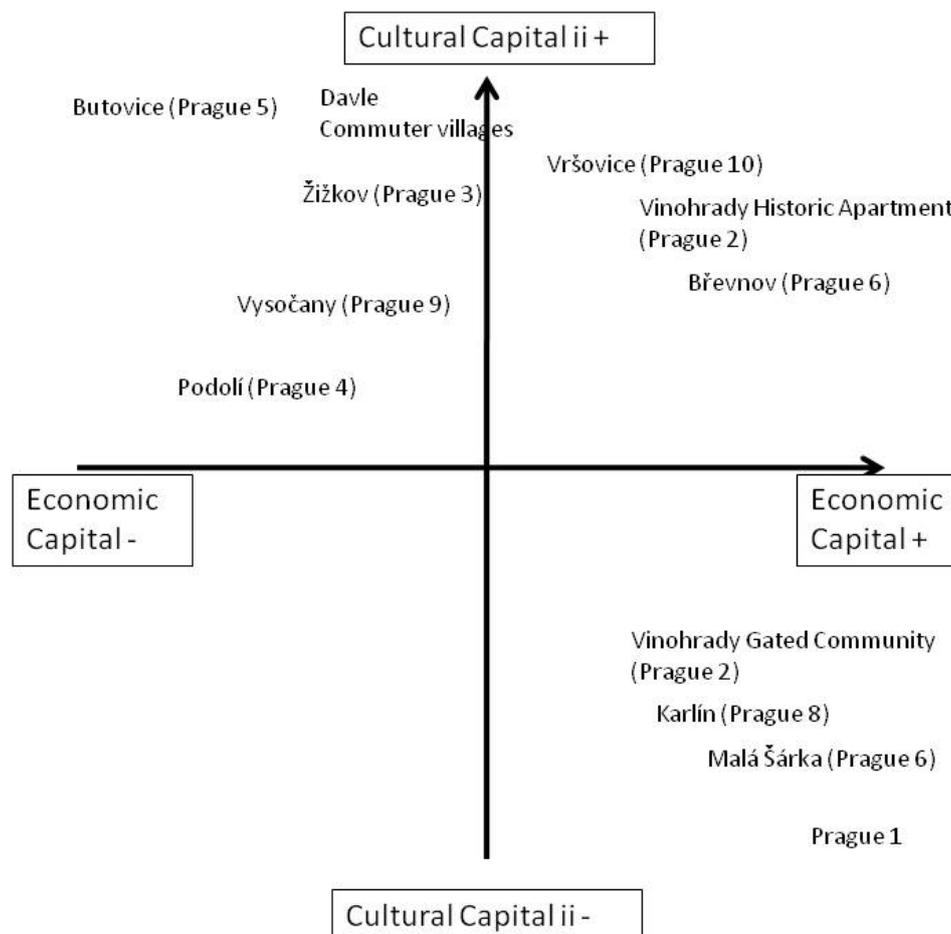
Additionally, I argue that the role played by TNPs in the consumption of these properties is just as crucial in the (re)production of luxury housing within the city. First, by reconsidering consumption practices using Bourdieu's (1979, 1986) theory of multiple forms of capital, it is possible to gain a greater understanding of how luxury real estate (and urban space more generally) is reproduced. For example, the TNPs interviewed who lived within such developments typically possessed relatively high levels of financial capital compared to their Czech counterparts (discussed further in Chapters 6 and 7), and are more willing to spend a high proportion of this on rent, paying high prices for various amenities and features that are seen to be representative of 'luxury' and a transnational urban utopia for the 21st century (Olds 2001). Specifically, the presence of video entrance systems, secure underground car parking, video surveillance, gym and pool facilities, wooden flooring, broadband internet and cable television all contributed to how luxurious a property was perceived (e.g. Americká Park and Malá Šárka). However, if we understand that housing consumption is a temporal phenomenon, and that tastes and preferences alter through time, the role played by an individual's social and cultural capital in framing housing choice and consumption practices becomes apparent. The relative lack of place based cultural capital (cultural capital ii, see Chapter 2) possessed by many individuals upon arrival in Prague serves to govern an individual's entry point into 'TNP residential space' (Figure 5.5. overleaf). A general lack of knowledge⁸⁶ regarding the geographies of Prague as well as a lack of more specific forms of knowledge relating to the housing market, often mean that

⁸⁶ I am reading knowledge here in the form of *savoir*, or 'know-how', rather than the more formal notion of *connaissance*.

newly expatriated individuals begin their residential trajectories in certain geographically bounded spaces (generally Prague 1, 2 and 6, see Figure 5.5 overleaf). This lack of place specific cultural capital, tends to divert newly arrived TNPs away from local Czech submarkets (and actors), serving to reproduce housing forms constructed, advertised and marketed by foreign owned companies.

Figure 5.5. conceptually maps the residential space of TNPs in Prague, drawing inspiration for the work of Pierre Bourdieu. As can be seen, the two axes represent the levels of place based cultural capital and economic capital possessed by a TNP at a given time during their stay in Prague.

Figure 5.5. TNP Residential Space (after Bourdieu 1986: 186)



Mapped onto the diagram are key districts of Prague, positioned according to the levels of place based cultural capital and economic capital possessed by the TNP, that serve, at least in part, to govern housing choice. For example, the bottom right hand quadrant contains city districts occupied by TNPs with little or

no knowledge of the geographies of Prague or the nature of the housing market, but who possess high levels of economic capital, such as Prague 1, Karlín and specific developments in Vinohrady. Those individuals whose levels of place based cultural capital are high upon arrival or increase during their stay in the city tend to move to, or begin their stay, in areas not traditionally associated with high numbers of TNP residents. However, it is inappropriate to wholly subsume residential choices within such a schematic, as other factors such as life course position (marital status, number of children, age etc) cannot necessarily be reduced to these terms. Additionally, the typologies of housing are important in governing choice (see Table 5.4).

Table 5.4. TNP Housing Typologies

Type	Photograph	Examples	Reasons	Stage	TNPs
Historic (late 19 th to early 20 th century) apartment housing		Prague 1 Vinohrady, Prague 2 Vršovice, Prague 2/10 Žižkov, Prague 3	Location Status Convenience	Early stages for Prague 1. Popular for permanent residents.	Will Wayne Jack
Historic Villa Housing		Břevnov, Prague 6 Velešlavín, Prague 6	Practicality Transport links Away from CBD Quiet area No tourists	Not for new arrivals. Individuals move here after several years	AJ
New build apartment housing		Vinohrady, Prague 2 Karlín, Prague 8 Libeň, Prague 8 Řepy	Security Services (gym etc) 'Newness'	Early stages for corporate TNPs.	Lynne
New build villa housing		Malá Šárka, Prague 6 Nebušice, Prague 6	Security Transport links International schools Quiet	Permanent for families	Susan
Commuter village		Zbraslav Davle Veleň	Quietness Authenticity Removal from CBD	For established TNPs with extensive knowledge of Prague	Mike Lembit

For example, whilst certain districts of Prague appeal to certain demographic sub-groups of TNPs (for example, families living in Prague 6 and younger couples living in Vinohrady), certain typologies of housing are preferential for certain sub-groups. For example, corporate TNPs on short-term placements often live in new build developments (such as Americká Park and Malá Šárka) that they view as being safe, convenient, unproblematic and close to their place of work rather than looking for more long term factors of suitability. Indeed, the

short-term nature of TNP placements severely limits not only housing choice, but wider practices and experiences that will be addressed further in Chapters 6 and 7.

Second, the sense of isolation felt by several interviewees when they first arrived was in fact further promulgated by living in gated luxury developments, despite certain developments being positioned as 'community hubs' indicating that the purposeful construction of readymade diasporic housing is somewhat flawed conceptually and practically. This served to foster senses of introspection, introversion and suffocation, that tended to limit sociality and preclude social networking that, as I will argue in Chapter 6, is vital in 'getting by' and increasing levels of cultural capital and forming a sense of home and belonging⁸⁷. However, despite these problems, individuals increased their social and cultural capital over time, learning Czech, becoming more familiar with the nuances of Prague's property market and which areas of the city would offer them both value for money and quality of life. It is important though to appreciate the fact that many short term residents (those on corporate placements for example) do not often move away from living in such communities, whereas longer term residents begin to seek what they perceive as a more 'authentic' and 'real' everyday life based upon the social and material construction of home, the processes of which are often precluded by the 'placelessness' and 'lack of character' possessed by developments specifically targeted at TNPs.

Third, it is important to understand how the complex interplays between the different forms of capital possessed by an individual, not only contribute to the governance of spatial practices within the realm of the everyday, but also to the different strategies and tactics (de Certeau 1984) that enable individuals to 'make do' and 'get by' in unfamiliar surroundings. The differing assemblages of tactics and strategies therefore affect the processes through which space is (re)produced. These three points contribute to the first two research questions outlined in Chapter 1 regarding the ways in which TNPs contribute to the

⁸⁷ Interestingly the vast majority of informants constructed understandings of home through the realm of the non-material. Very few individuals talked of the 'things' that make a house or apartment 'home', rather they discussed issues of language, culture and social relationships as being central to their place making and identification processes.

production of exclusionary spaces and also to understanding the processes operating that produce these spaces. Additionally, this chapter can also be used to critique the notion of elitism that is so often ascribed to transnational professionals (research question 3). By focusing upon the housing experiences of these individuals, and again invoking Bourdieu's (1979, 1986) thesis relating to multiple forms of capital, it is apparent that whilst being materially wealthy, it is the place specific cultural poverty of many TNPs that govern the ways in which exclusionary residential spaces are produced through everyday practice(s). The complex articulations of tactical and strategic manoeuvres, coming together as ways of 'making do' (de Certeau 1984), are intimately bound up with these different levels of capital, and by understanding the ways in which relationships between poverty and wealth govern residential choices, significantly problematises notions of 'mastery' highlighted in the literatures discussed in Chapters 1 and 2. The next chapter will develop the themes discussed here relating to the relevance of using theories of multiple capital forms in understanding everyday practices, by examining the social practices of TNPs and the ways that such practices contribute to the production of exclusionary spaces.

CHAPTER 6

SOCIAL PRACTICES AND GROUP FORMATION AMONGST TRANSNATIONAL PROFESSIONALS.

We lead very uneasy lives; each day brings its surprises, anxieties, hopes and fears; it would be impossible for any individual to bear it all without the constant support of his [sic] comrades.

Kafka (2003 [1924]: 152)

...one reads the story of the life of a person. One follows the story, one travels awhile together with that individual and eventually one gains an understanding of him or her. When understanding has been achieved one discovers that one can tell a story.

Shanon (1993:362)

What we knew and what we were familiar with moves away and makes us feel uneasy...What is essential is the movement, the passing, the supersession. To come to a halt and become blocked is the greatest alienation of all.

Lefebvre (2002: 216)

6.1. INTRODUCTION.

Following on from the discussion in Chapter 5 of the role of TNPs in the production and consumption of luxury housing in Prague, this chapter examines the everyday social practices of TNPs, paying particular attention to the social networks and spaces that such practices produce. Given the focus of the thesis as a whole in examining the role played by TNPs in the production of exclusionary spaces, I argue that the micro-geographies of exclusion that exist contingent on these social networks and spaces are best understood as a set of

dual processes existing between TNPs and an imagined Czech Other. For example, within interview material TNPs constructed themselves as feeling excluded from places constructed as being 'local' or 'Czech' during the early stages of their stay in Prague, avoiding such spaces by retreating into dense social cliques that only serve to reinforce these feelings of separation and difference. At the same time, these densely cliqued networks provide a refuge in the familiar, both enhancing the perception of difference, whilst concomitantly enabling a (re)construction of the self in a foreign environment. Drawing upon object relations theory (particularly Klein 1960), Sibley (1995: 10) has noted that:

...boundaries emerge, separating the 'good' and the 'bad', the stereotypical representations of others which inform social practices of exclusion and inclusion but which, at the same time, define the self.

This understanding provides a useful entry point into understanding the ways in which TNPs produce exclusionary spaces but, I argue, the stereotypical representations central to this particular conceptualisation are an inadequate way of understanding the mechanisms behind the *practices* that produce exclusionary networks and spaces. Instead, I argue that by engaging with the work of Pierre Bourdieu, particularly concerning multiple forms of capital, new insights into, (i) the nature of cultural capital, (ii) processes of capital conversion, and (iii) the role of place can be arrived at. Furthermore, I suggest that social practices and their attendant networks and spatialities have a distinct temporality intimately linked with the imaginary geographies of place and belonging - something that is often overlooked in literature relating to TNPs.

The chapter will engage with the work of Pierre Bourdieu relating to the ways in which social practices and the production of exclusionary spaces are linked, drawing primarily from his work regarding multiple forms of capital. The suggestions made in Chapter 2 (and developed in Chapter 5) that a disaggregation of cultural capital into two components (a place based and a non place based component) can afford understandings of place a more central role in understanding everyday practices amongst TNPs, and the particular spaces they produce. What follows, consists of four sections, each examining a distinct stage of a TNP's social life-cycle in Prague constructed and delimited from data

derived from semi-structured interviews and field diary material collected in Prague during 2004 and 2005. The reasoning behind this approach is to identify the commonalities that exist between different individuals regarding their social practices, and the ways in which social practices and their attendant networks and spatialities evolve over time. Such an approach provides a framework for understanding the ways in which exclusionary spaces are produced in the city. Following the four empirical sections examining the spatio-temporal development of social practices and networks will be a concluding section that will further demonstrate the relevance of Bourdieu's research to the geographies of everyday life, arguing for a need to incorporate understandings of place and the relationalities of power that are integral to such understandings

6.2. ARRIVAL, SURVIVAL AND THE POST-SOCIALIST 'LUNARSCAPE'.

This section discusses some of the difficulties encountered by TNPs during the earliest days of their stay in Prague. The specific focus of each of these four sections will be upon how the business and social lives of TNPs are mutually embedded, and how, exclusionary space(s) are produced by these individuals and networks. Such social practices, are I argue, path dependent upon the possession of various forms of capital, as well as being intimately bound up with a variety of strategic and tactical ways of making do socially and culturally. What follows is a discussion of the earliest days of an individual's stay within the city, examining how individual involvement in social networks are central in both surviving in a city populated by Others, and to the associated need to accrue cultural capital specific to the city of Prague and the Czech Republic.

Starting as this discussion does with the earliest months of a TNPs stay in a foreign country, it would be all too easy to construct such a snapshot as a 'beginning'. However, vital to any understanding of the complex social and spatial processes at work at this stage is the understanding that prior experiences and preconditioning impact upon an individual's position 'on the ground' during the first months of a stay. These early days are invariably challenging but the path dependent nature of the multiple forms of capital possessed by an individual governs his or her everyday practices, as well as determining the particular networks and spaces that individuals become

embroiled within and (re)produce. Additionally, it is necessary to understand that these practices are made up of a series of tactics and strategies, deployed in order to foster increases in social and cultural capital. Here I draw upon two contrasting examples, each of which illuminates processes of individual path dependency within social network formation.

Lesley⁸⁸, for example, is in her 40s and is owner of a major regional public relations company and co-chairman the British Chamber of Commerce (BCC) in Prague. She arrived in 1990, and her experiences, although situated in a specific historical context, are echoed by many of the TNPs interviewed. As she noted:

It was like landing on the moon really. You could see that there was enormous potential for everybody, but it was too early days [sic]...It was just too different from anything you could imagine.

Such feelings of isolation, and of Prague being a 'lunarscape', have a direct bearing upon social and business lives, and the networks that individuals are embedded within, as well as the places and spaces that these networks help to produce. Whilst Prague has changed dramatically since Lesley arrived in 1990, individuals who have not been prepared or pre-conditioned for relocation often find the first few months difficult. The levels of pre-conditioning and preparation undertaken by TNPs in multi-national corporations for example are slight, and few individuals on work placements have any concrete knowledge of the local language, cultural norms or of the geographies of the city. This lack of social and cultural capital means that many TNPs, especially during the early stages of a stay, form densely cliqued social networks as a way of 'making do'. In other words, those people who do not have the relevant language skills, knowledge of Czech culture, history, and lifestyle, raft together and form very tightly knit groups where English is the only language and the spaces and places that their lives revolve around are 'Western' in orientation. This facilitates both a short-term way of 'making do' socially, as well as acting as a mechanism through which practical knowledges of life in the Czech Republic are shared and

⁸⁸ Interview dated 29/10/04

transferred. Barry⁸⁹, for example, a British real estate lawyer, noted how difficult he found the language, "...even to remember, initially, 'hello', 'please', 'thank you', I found [very] difficult...". This difficulty was echoed by Lynne⁹⁰, the Australian wife of an executive working for a multi-national beverage company, "The language of course is like nothing I've ever heard in my life before. I had lessons for a year but I still can't pronounce anything".

It is relevant at this stage to point out that a number of TNPs working for MNCs are only on short-term placements (one to two years), and that spending every hour away from the office learning Czech is not seen as a sensible strategy, given the time required and the relative lack of free time these individuals have. For example, many TNPs devote most of their time to networking with other TNPs, socialising almost every night and practicing consumption through brand stores such as *Next*, *Marks and Spencers*, *Tesco* and *Carrefour* (see Chapter 7 for elaboration). Such a strategy is often used by TNPs, and it is a product of the circumstances that many individuals find themselves in, detached from the local and feeling 'out of place'. There is not enough motivation to embed culturally within the host country given the short length of most placements, so the emphasis – at least during the first few months – is mainly upon embedding within dense socio-business networks that bypass local culture and language. Interestingly however, the majority of informants started on short-term placements in Prague, have set up their own businesses and cannot see themselves leaving the city.

Initially, the dense networks of social relations serve to act as a coping strategy and mechanism, providing avenues for sociality, conducting business and struggling for much needed social and cultural capital in the leisure spaces of the city. For example, many TNPs that were interviewed talked nostalgically of the 'early days' and the 'late nights' of TNP life. Lembit⁹¹, for example, a British

⁸⁹ Interview dated 12/10/04

⁹⁰ Interview dated 07/04/05

⁹¹ Interview dated 15/10/04

financial professional in his mid 30s, saw the first five years⁹² of his life in Prague as being ones of frantic socialisation:

...I probably must be honest by telling you that in the first 5 years or so I was here, I really lived the expat life. Going to pubs every day, hanging out with the same group, really mixing in this circle of only, mainly English expats...You know...you kind of, cut yourself off from the real world around you.

Such densely configured social networks, and hyper-sociality preclude any form of sustainable integration into the host society due to the long hours worked by such individuals, and the potential brevity of their stay, the only perceived way of getting by is to network and socialise with people who can speak English and engage in what are perceived as 'Western' practices. Such networks are exclusionary, as they promulgate distinct processes of Othering, discursively positioning 'West' versus 'East' in a way that limits cross-cultural integration, understanding and empathy. Jack⁹³, a secondary school teacher alludes to the difficulties in coming to terms with Czech culture that contributes toward these processes of Othering:

...I've spoken about Czech culture and I often find that, that there's a lot of intolerance about the culture. They [the TNPs] find it very, very difficult here...It is, it is a really interesting thing here, a real lack of awareness of the culture...There's also a real Western bias here, everything West[ern] is 'good', everything East[ern] is 'bad'.

What is particularly significant is that many TNPs view this period of time with fond memories and a high degree of nostalgia. Many talked of this time as a second adolescence and a time of late nights, partying and socialising that was a *sine qua non* of surviving in what was constructed as being an 'alien' environment. This was echoed by Barry⁹⁴, a real estate lawyer:

Probably for the first seven, eight, nine months I was here, that would be quite a regular occurrence. Go out until three or four in the morning, Tuesday,

⁹² The fact that Lembit spent five years involved in frantic socialising and living 'the expat life' is unusual in its duration, and the average amount of time TNPs spent living in the fashion generally lasted between one and two years.

⁹³ Interview dated 16/04/05

⁹⁴ Interview dated 12/10/04

Thursday, Friday, Saturday, Sunday [sic]. I now probably go out once a week...

Susan⁹⁵, a human resources director for a global accounting firm, recalls this period just as clearly. She moved to the Czech Republic in 1999, leaving her husband and two daughters in Melbourne for 6 months before they too moved to Prague:

I hate to admit it and I try not to in front of my family, but I had a fantastic time. It was almost like a second childhood, second adolescence I should say when I first came...The downside was that it was a bit lonely for the first few weeks, months or so, at night, but the upside was that all the young expats we had working for us...We had a lot of ones, you know, mid to late twenties...and they were a very tight knit little bunch...Sometimes it was just, you know, "we're going down to this restaurant on a Saturday night, are you coming along". It was fantastic and I had a great social time.

Amongst the interviews conducted, there was however a sharp demarcation between the socio-business practices of individuals who had decided they *wanted* to relocate and those that were relocated by their corporation. Mike⁹⁶, for example, a Cambridge graduate who specialised in French, Russian and Czech, had spent time in Prague in the 1970s, and following a series of management jobs in the UK, decided to return in 1990. He speaks Czech fluently, which he believes is a major factor in having an enjoyable and 'authentic'⁹⁷ experience in the city. As he points out, "A lot of people arriving after 1990, or 1991, um, they had no understanding of what was involved [in living in Prague]". Individuals who actively seek to live in the Czech Republic, research what life is like, learn some Czech and talk to people already living there, meaning that upon arrival they have relatively high levels of cultural capital compared to other TNPs. Wayne⁹⁸, for example, a self employed head-hunter has had a lot of contact with TNPs in a professional capacity and

⁹⁵ Interview dated 21/05/05

⁹⁶ Interview dated 09/05/05

⁹⁷ Mike views this 'authenticity' as being strongly linked to the fact that he is not viewed by Czechs (either by business colleagues or everyday encounters) as being the archetypal TNP. This is largely due to the fact that he speaks Czech fluently and has a strong grasp of Czech history and culture, as well as an understanding of local everyday culture and practices.

succinctly (if rather polemically) sums up the attitude of many short-term TNPs living in the city:

...people [TNPs] have to be so pretentious. I don't know what they think, you know, because they move to a foreign country they are more clever [sic] or more interesting, or more dynamic...I love to tell them that it just isn't like that. It doesn't make you more interesting, doesn't make you more dynamic, you're a twit, you're still a twit. Just because you live in a foreign country only means you're acting like more of a twit. Because a lot of these guys look down on the Czechs, talk down to the Czechs, don't learn the language you know?...Then they all raft together in these expat communities, talk a bunch of shit about Czechs, how stupid, lazy, thieving, unfriendly the Czechs are. I have actually had the exact opposite experience with Czechs...

This attitude from many TNPs may stem from fear, lack of knowledge, feelings of alienation (see Lefebvre 2002: 206-216), a lack of linguistic skills and therefore, a lack of place specific cultural capital (form ii). This perpetual *lacking*, and the positioning of themselves as 'outsiders' from the outset, serve to encourage business associates, colleagues, and kinship groups to group together in small, dense and cliqued social networks that serve the dual functions of providing a social outlet as well as promulgating exclusion and polarisation between the Czech speaking and English speaking communities. As Lesley⁹⁹, a PR company owner stated, referring to her arrival in 1990:

People were so lonely, I was so lonely when I first came here because there was no one, and no one spoke anything and it is all very well working 24 hours a day, 7 days a week, but occasionally it's nice to see a friendly face and at least have someone to dump on or something.

In addition to the exclusionary narratives promulgated by the lack of social and cultural capital, counteracted somewhat by relative financial wealth, the role of business associations such as the British Chamber of Commerce (BCC) and the Expatriate Business Association (EBA) in fostering dense, strongly linked cannot be ignored. For example, the BCC, despite the rhetoric of fostering

⁹⁸ Interview dated 01/05/05

Anglo-Czech business relations, in reality facilitates only a unilateral flow of knowledge *from* Czech business leaders and politicians *to* senior members of the TNP business community. Such a one-way flow of knowledge strengthens the positions of large MNCs within the Czech economy, and excludes many small Czech companies who are omitted from the flows of capital, investment and knowledge that is required to allow free market neo-liberalism to flourish. Lesley discussed in some detail the role played by the BCC in knowledge transfer, particularly the unilateral nature of this process:

...instead of a good excuse for a piss up, doing some more educational things, structuring it more and saying, "well this is an event for top managers". We had a lunch with Martin Román who is the boss of ČEZ here...Czech Energy. He's an interesting young Czech guy, so he was a speaker at the lunch that was directed to all the top managers of all our member companies...

The social functions of the BCC are important during the early stages of a stay for many TNPs, as such functions provide significant opportunities to network with other TNPs, and English speaking professional Czechs. However, the novelties of the BCC's social functions soon wear off as Keith¹⁰⁰, the British CEO of a real estate company alluded to:

I don't [attend Chamber functions] purely because if you get involved, if you register with each chamber of commerce you end up spending most of your weekends not with your family...[but] in bars...You tend to find that a lot of people will go there and it's just an excuse to drink or have a beer somewhere, or perhaps an excuse to tell their wives why they won't be home after work.

Keith, along with many other TNPs, saw the role of the different national Chambers of Commerce as being inadequate in fulfilling the needs of the TNP business community. Therefore, TNPs who have become disillusioned with the role of the BCC decided to set up the EBA, which was aimed at cutting across national boundaries and problems of joining different Chambers' of Commerce and attending a vast number of social events, by forming a new Club. Much like

⁹⁹ Interview dated 29/10/04

¹⁰⁰ Interview dated 05/05/05

the BCC, the emphasis is on socio-business, networking, meeting the 'right' people and doing the 'right' thing. This is concisely demonstrated through an examination of the EBA's 'honour code'¹⁰¹ which states that members should, 'Stay true to yourself and to the EBA family'. The EBA is another coping strategy for TNPs living and working within a foreign city and unfamiliar culture, and is essentially a gated network, whereby membership is determined *both* by the ability to pay, *as well as* by requiring a recommendation from within the organisation. Its mission statement is as follows:

Purpose: To build a trusted support network of experienced and quality resources for expatriates and related industries. To emphasise the personal aspect of doing business, and to help each other stay informed.

Who: Expatriate and Expat related business professionals, business owners and decision makers recommended by other EBA members.

Values: To help and be helped; assisting each other through high quality services, communication, friendship and sound business ethics.

Uniqueness: Members are encouraged to utilise internal EBA member resources and contribute to the overall benefit of the network.

How: Through meetings, interactive workshops, social events & activities, one to one contact; supported by an exclusive web site for EBA only members.

(Source: <http://www.ebaprague.cz/mission.php>)

The emphasis of the EBA is very much upon the 'social', the 'network', the 'handshake' and the 'my word is my bond' (see McDowell, 1996) rhetoric of the City of London. Keith further expands upon the corporate rhetoric of the website:

¹⁰¹ Available online at <http://www.ebaprague.com/honcode.php> last accessed 03/02/08.

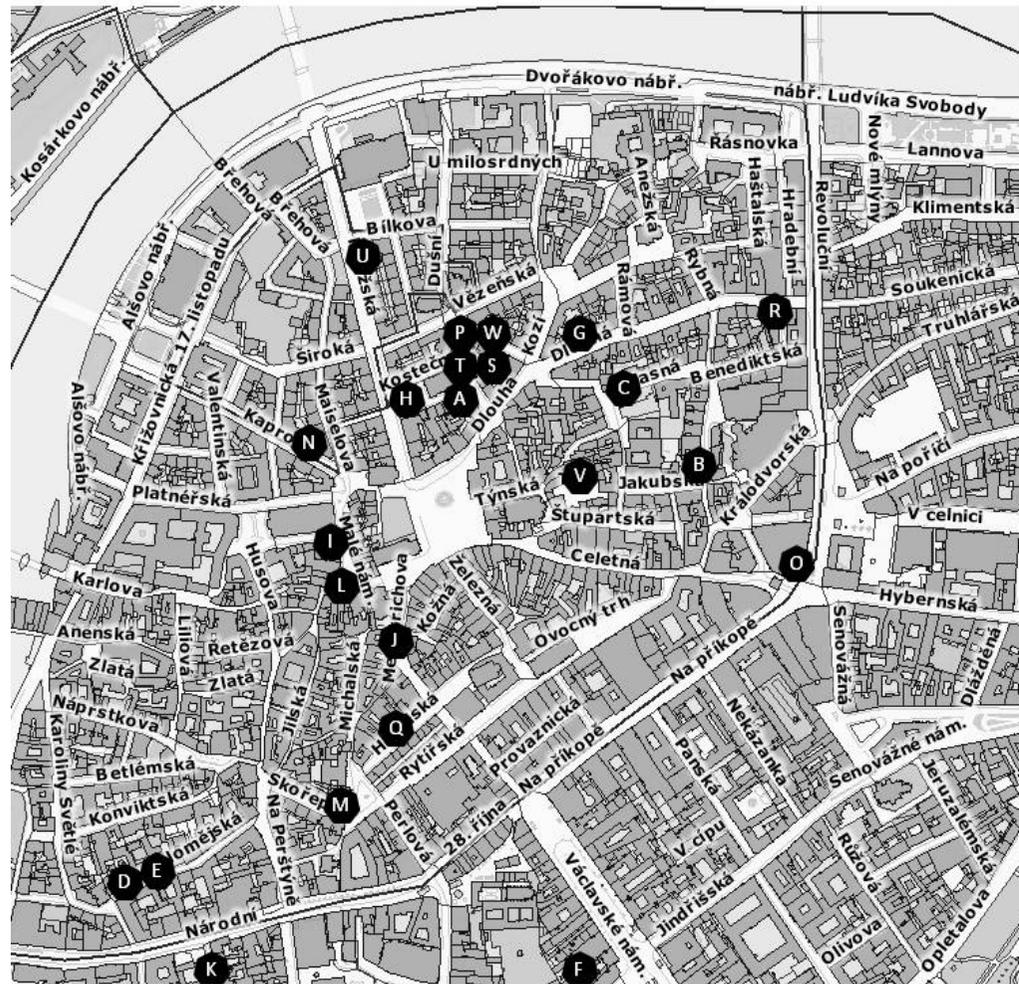
No, it's a massive wide range of people¹⁰² [who are members], everything from the banking world and real estate, insurance, financial institutions, you name it they're there. A real broad range.

However, few Czech owned companies are members¹⁰³, nor is the web site available in Czech. Indeed the vast majority of member companies are foreign owned producer service sector companies from real estate and financial management. Thus, the EBA performs much the same role as the BCC, in providing an institutional fix for socio-business by creating strongly gated, densely knit networks and rafts of business people, coming together to share knowledge and experiences relating to both the corporate world and everyday practicalities of life in Prague. Such an environment is ideal for newly arrived TNPs, as very little linguistic or cultural effort is required in making new contacts, doing business or making friends. However, membership of such organisations, especially during the early stages of a stay, can be potentially damaging. For example, such institutions offer very few opportunities for engaging with Czech culture or Czech language (in other words, accumulating place specific cultural capital), embracing as they do, such a gated and exclusive form, promulgating spatial exclusion via the creation of elitist organisations. Such organisations play a key role in shaping a TNPs life course within the city as individuals either welcome and thrive within this highly networked sociality, or begin to crave a more authentic and 'real' experience of living within a foreign country, in which the particularities of place are central.

It is also important that these formal networks encourage the production of particular spaces, which can also be seen as semiotically gated and exclusionary toward Czech residents. A fuller discussion of the everyday practices of TNPs in Prague will follow in Chapter 7, therefore here I touch upon the places and spaces that these social networks and practices produce,

¹⁰² It is useful however to note how narrow this membership profile is, incorporating only senior executives or business owners from the producer services sector

¹⁰³ Czech member companies are Česká Spořitelna (banking), Česká Informační Agentura (business report providers), Plzenský Prazdroj (beverages), Havel and Holásek (legal services), Hrubý and Buchvaldek (legal services).



- A. Aloha Wave Bar
- B. M1 Lounge
- C. Sherlock's
- D. Al Capone's
- E. BeBop Bar
- F. Bombay
- G. Buggy's
- H. Coyote's
- I. Čili Bar
- J. Double Trouble
- K. Gecko Bar
- L. L'Aperitivo
- M. La Fabrique
- N. La Bodeguita del Medio
- O. Obeční Dům – Americký Bar
- P. Parker Bar
- Q. Swank Bar
- R. Tom Tom
- S. Tretter's
- T. Alcohol Bar
- U. Barock
- V. Legend's
- W. Ocean Drive

Figure 6.1. Location of Cocktail Bars in Prague 1.

primarily the restaurants and cocktail bars (see Figure 6.1. previous page) of downtown Prague 1. During the formative, early stages of a TNP's stay, the types of consumption spaces visited are often circumscribed with semiotics and lifestyle that are essentially placeless, often subscribing to a homogenous global aesthetic. For example, official business functions held by the BCC or the EBA are often held in major international hotels, health clubs or golf resorts. Such venues have been referred to by Marc Augé (1995) as 'non-places', and it is in these non-places that many of the business mixers, working breakfasts and conferences occur, that are seen as vital in promoting the transfer of knowledge and 'tricks of the trade' take place. Aside from such semiotically sterile and placeless environs, much of the social and business activity takes place in the bars, restaurants and pubs that make up downtown Prague 1 (Staré Město, Nové Město and Josefov) and Prague 2 (Vinohrady), and these spaces, I argue, have become key spaces in the conversion of social capital into cultural capital¹⁰⁴. Entrenched behind the highly priced cocktails and Scotch of *Alcohol Bar*, *Tretter's* and *Bugsy's*, social relationships are strengthened and these increases in social capital are converted into new forms of knowledge regarding Prague's business environment and more practical, everyday forms relating to housing markets, politics and retail venues – indeed the specificities of living and working in Prague.

Keith¹⁰⁵ for example reflects upon the social events staged by the EBA that often take place in such spaces:

It's great because sometimes everyone helps each other out and it's a good way to keep in touch with the business community. You get to pick up little bits about the political scene in town, who's working for who, who's doing what, who's moved in, who's moved out – a little bit of gossip.

These cocktail bars are generally heavily themed, drawing upon a mixture of cultural influences and laden with the semiotics of wealth and faux exoticism, for example, the website of one such bar, *Tretter's*, indicates this:

¹⁰⁴ See my discussion of the geographies of central Prague in the previous chapter for elaboration.

¹⁰⁵ Interview dated 05/05/05.

Tretter's cocktail bar is probably the one place in Prague where modern times rub up against the nostalgia of the Paris or New York of the [19]30s...Caribbean cocktails adorned with orchids further add to the feelings of romance and delicacy. Here you can try at least 150 classic drinks...as well as 50 drinks prepared following the owner's original recipes...

<http://www.tretters.cz/defaulten.htm>

Figure 6.2 (overleaf) consists of an interior map of another of the main elite social spaces of the city, *Alcohol Bar*. This cocktail bar is one of the most popular in Prague amongst TNPs and high earning local residents, and boasts a selection of nearly 350 cocktails, 250 different whiskies and a wide range of cigars. The aesthetics of the bar area are fairly typical of such spaces in Prague, creating a 'corporate-cosy' and softly lit environment, reminiscent of traditional Czech and Central European cellar bars, though that is where the similarity ends. The seating is arranged in such a way that random encounters are discouraged, encouraging individuals to face each other over the small candlelit tables. Such governance strategies (played out through the arrangement of the space), differ markedly from the traditional Czech *pivnice*, where random social interactions are encouraged through the use of less rigid and structured bench seating arrangements (see Plate 6.1).

Plate 6.1. Interior views of Czech Pubs (left, Ů Sadu, Prague 3; right, Ů Klokoně, Prague 10).



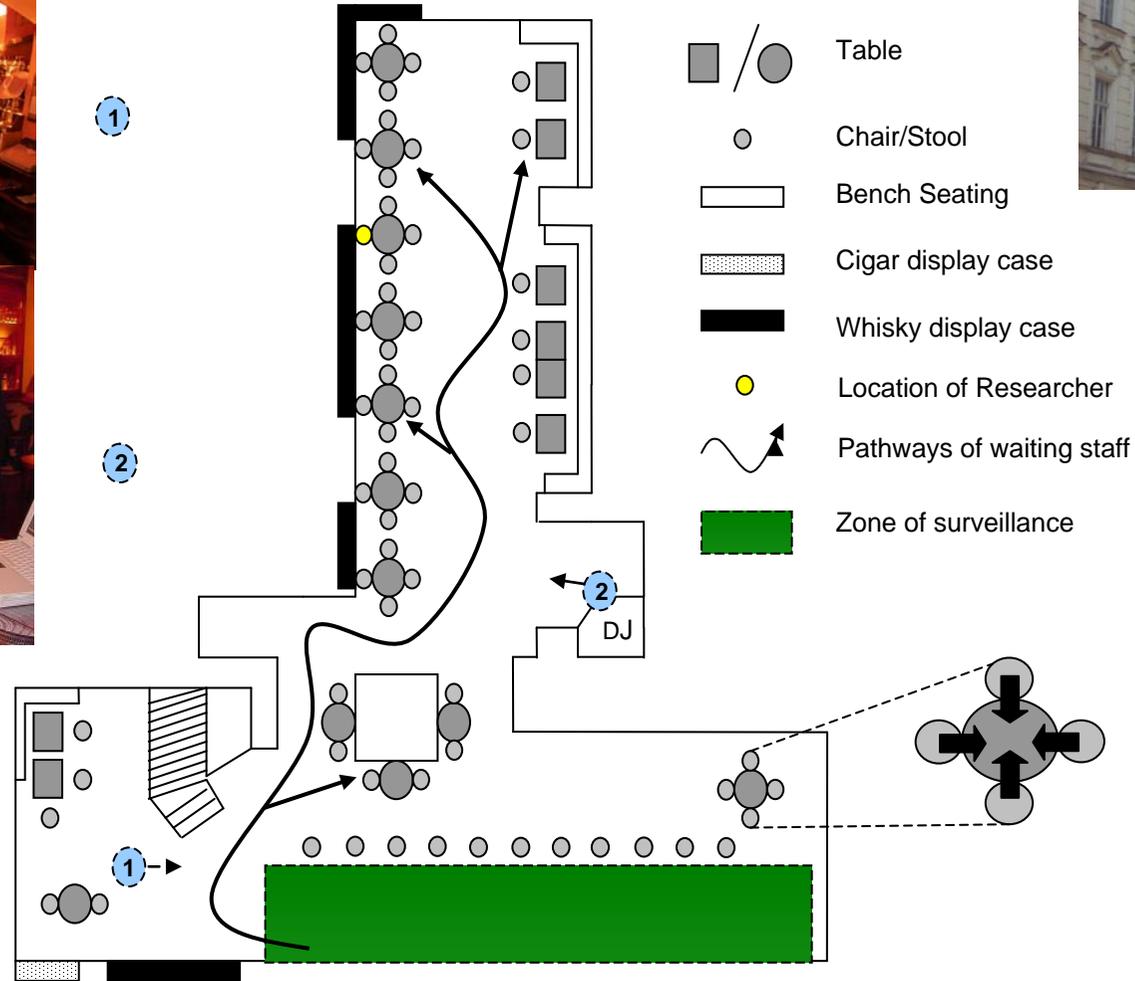


Figure 6.2. Interior Map of Alcohol Bar (Photographs by Author, May 2005)

Whilst seeming banal at the outset, the interior semiotics of the space combined *with* the dispositions of the individual demonstrated through social practices, serve to reinforce densely cliqued and exclusionary network forms. In other words, whilst everyday practices can be seen to be governed by the possession of different forms of capital, the spaces that everyday practices produce, also serve to reinforce and govern these practices. For example, and field diary extract from October 2004 reinforces these comments:

[It] Seem[s] a fairly expatriate oriented place Alcohol Bar, with mood lit tables surrounded by high stools that appeared to foster a sense of introspection amongst the revellers. Overheard conversations in German, English and what sounded like Russian, with each nationality sat on different tables, facing inwards. Were dressed for business and had mostly been working late and had come to Alcohol Bar for post-work drinks. There appeared to be some Czech high rollers in too, indicated by a thin blue haze of cigar smoke over one table, a half empty bottle of single malt and raucous backslapping. Dance floor appeared to be a rather pointless addition to the space, given both its small size and the fact that dancing (and other forms of expression) would be out of place in such a clean and homogenous space, clearly catering to small groups coming to savour cocktails. (Field diary extract date 04/10/04)

Whilst such spaces, according to advertising material, ostensibly cater for all, the prices and semiotics, discourage all but the wealthiest Czech nationals, as spending CZK 140 (c£3.50) on a *Mojito*, when a beer is CZK 25 (c.85p) in the local *hospoda* [pub] or *pivnice* [beer cellar], is simply not realistic financially. Aside from these newly gentrified, entrenched and elitist spaces of consumption, networking and socialising is practised in a variety of sports bars and restaurants, especially during the early stages of a stay and are indicative of the changing class profile of Prague and of an increase in wealth amongst individuals working within the producer services. Places such as *Bombay Café* were mentioned extensively by informants, as well as *Legends* sports bar, indicating that approximately 10 bars in the city can be seen as the primary centres for the social lives TNPs. The production of such leisure spaces can be seen as an outcome of the complex social, economic and political transformations of the last 15 years or so (outlined in further detail in Chapter 4). The dominance of only a few bars and pubs as venues for TNP socialisation

was touched upon by Barry¹⁰⁶, real estate lawyer, who talked of certain bars being dominated by TNPs from particular sectors of Prague's economy:

...I can remember probably a year ago, there was one bar that if you went in on a Friday or Saturday night, I would see half of the people who do real estate, half the expats who are involved in the real estate market in the bar. It's not so much now, but there are still definite bars that I know if I go there on a Saturday night, will see someone I know.

The hyper-sociality implicit within the tightly knit and semiotically gated networks and the spaces they (re)produce is generally unsustainable over the medium or long term, whilst at the same time being an integral part of how new arrivals survive and 'make do'. In many ways this stage of a TNP's career abroad is the most important as whilst being almost totally disembodied from certain knowledges, spaces, language and cultural practices, the very same individual becomes tightly and strongly embedded within claustrophobic socio-business networks. Whilst such relationships and networks are successful as a short-term, tactical way of 'making do', they were seen as unsustainable in the medium and long term by research informants. The practices involved in maintaining a large network of relatively dense social ties involved submitting to a social life revolving around several key spaces and high levels of alcohol consumption, that many individuals found limiting, as will be discussed in the following sections.

Given this discussion of the social practices and spaces that TNPs are embroiled within during the early stages of their stay in the city, it is necessary to place this within a Bourdieuan frame of analysis. Upon arrival an individual's levels of economic and non place-based cultural capital (cultural capital (i)) are high, reflecting both the relative financial wealth of the individual and the advanced academic and professional qualifications required to maintain high salary employment in the producer services sector. Additionally, high levels of economic capital enable the individual to socialise regularly in expensive bars and restaurants, often seen in the literature as evidence of elite status and spatial mastery. However, if we examine the role played by social capital and

¹⁰⁶ Interview dated 12/10/04

place based cultural capital, we begin to see that such ascriptions of elitism can be seen as fallacious. Upon arrival, an individual's level of social capital consists of friends and family in their country of origin with often no friends or contacts in the host country. Therefore, social relationships need to be formed *ab initio*, most often with other TNPs from the workplace or in the same sectors of the economy (e.g. financial services, real estate etc). The frantic socialisation discussed above is indicative of processes of capital conversion, whereby financial and non-place based cultural capital are beginning to be converted in expensive bars, restaurants, and the workplace, into social capital and place based cultural capital. These conversion practices enable increases in an individual's social and place based cultural capital, allowing an evolution of everyday practices and lifestyle. Additionally, it enables the ostensibly elite practices to be repositioned as ways of 'making do' and 'getting by' (de Certeau 1984) rather than as a set of conscious attempts at class reproduction. The following section will examine the ways in which TNPs strive toward a more 'authentic' everyday life in the Prague, paying particular attention to the importance of language and place specific cultural capital.

6.3. STRIVING: CONSTRUCTING AUTHENTICITY.

Over time, many of the informants still maintained strong and active social lives within the TNP community and still attended business 'mixers' and corporate events organised by the institutions discussed in the previous section, but the intensity of such hyper-sociality tended to diminish, typically after one or two years in the city . However, interview material suggests that informants begin to place a growing emphasis and desire to engage in more localised and place specific practices and relationships. Indeed, the terms 'authenticity', 'reality' and 'real world' were commonplace throughout the interview transcripts, signifying a desire to move away from the dense socio-business cliques discussed in the previous section. Whilst the frantic rounds of socialising are necessary in many ways during the early months of the stay, as strong social relationships begin to coalesce and conducting business becomes easier, the role of these formal and semi-formal networks and frantic, ad hoc socialising, tend to wither away. Ways of 'making do' change over time as do the geographies of such practices, moving away from the need to maintain unsustainable social interactions in bars

and restaurants on a daily basis, toward strategies involving language learning, finding a Czech partner, and socialising in places distanced spatially and semiotically from many of the corporatised spaces found in the city centre. This is also when individuals begin to loosen the dense and potentially constricting social ties with other TNPs, and begin to immerse themselves within a more diverse array of practices and engage more with Czech culture. The struggle over social and cultural capital in the wine bars and theme pubs is never quite enough to make a TNP feel quite at home. Whilst providing vital functions regarding the fixing of social capital, and the development of place based cultural capital, it is up to the individual to embed locally if he or she wishes to.

For example, I discussed in the previous section the role of language and linguistic competency in the construction of difference, promoting heightened levels of distinction between English speaking TNPs and non-English speaking residents, potentially promoting a dual business and social world in which the emphasis is placed firmly upon the ability to speak English rather than Czech. The decline of native languages across ECE in the face of the geographical expansion of English as the language of business means that, for multi-national companies at least, Czech is not the first language. At work, many people use translators or simply do not have to speak Czech:

When I first came [to Prague] and we did work for Tesco, we'd do it all in English and translate it into Czech¹⁰⁷

All of my work for example is in English, um, I realised pretty early on that my Czech would never get good enough that I could work in Czech anyhow. So I couldn't run a training program in Czech¹⁰⁸

I can get by [in Czech] but working in an American law firm I just speak English all day, so...There's no real need to. No real need to speak Czech [at work]¹⁰⁹

¹⁰⁷ Interview with Barry 12/10/04

¹⁰⁸ Interview with Susan 21/05/05

¹⁰⁹ Interview with Barbara 23/10/04

Whilst the need to be fluent, or at least conversant, in Czech in the workplace is by no means essential, in everyday life outside of the workplace it becomes vital to communicate in Czech to successfully 'get by', and serves to break down the narratives of Othering that are socially constructed by TNPs toward Czechs¹¹⁰, and vice versa. For example as Lembit noted:

...I mean originally, [I went to] bars which are aimed at...foreigners. You know their main draws were maybe foreign music or TV. That kind of stuff. I think probably at the time I achieved some kind of fluency with the Czech language it allowed me to diverge a little bit¹¹¹

The importance of linguistic competency in breaking down the very real barriers between foreigners and local residents is attested to and was a recurrent theme amongst longer term TNPs living in the city. Additionally, it is appropriate to note that Lembit now constructs bars frequented by TNPs as being more 'foreign', intimating that he now positions himself as more 'local', and as being more removed from the non-places of *Tretter's* and *Bugsy's* and more embedded in 'local' places and practices.

In terms of everyday life in Prague, very few individuals working in lower order services such as supermarket till attendants, public transport employees, plumbers, electricians or in the local council offices or public services speak any English at all. Therefore, whilst at work and socially amongst TNPs, language is rarely an issue, any engagement in a Czech pub, *potraviny* [corner shop] or tram becomes a veritable minefield of embarrassment and fear, which serves to further govern the day-to-lives of many TNPs. It is very difficult to act as a 'Master of the Universe' when you would struggle ordering a hotdog or asking for a kilo of bananas. Indeed my own initial experiences of life in Prague echoed those of early stage TNPs:

[I] Popped into Tesco's [Národní Třída] in order to do some food shopping, but was slightly perturbed to find that they sold very little food. Aftershave, jeans, foreign newspapers and cigarettes yes, but no sign of a food aisle

¹¹⁰ There is some resentment regarding the presence of TNPs in the city, though such resentment is generally ameliorated through demonstrations of social, linguistic and cultural competence.

¹¹¹ Interview dated 15/10/04

(Field diary extract dated 02/10/04)

...Another interesting thing is that I felt little urge to eat lunch today. This was possibly to do again with my elementary language skills, and not knowing what to look for.

(Field diary extract date 03/10/04)

[Returned] to Prague and went out for a pizza in Vinohrady. Waitress [seemed] cold at first as she realised we were English. But my Czech helped me through, and by the end of the evening she was smiling and passing the time of day...The power of language cannot be underestimated.

(Field diary extract date 10/10/04)

These short extracts, demonstrate the ways in which place based cultural capital generally, and specifically linguistic competency, can serve to restrain and enable everyday practices. The first extract for example, bemoaning the lack of any food in *Tesco*, was an outcome of the fact that my everyday Czech skills were poor, and I failed to notice an extra entrance to the store (and associated signage) that led to the food court. Likewise, the second further demonstrates my lack of confidence linguistically, although this confidence improved toward the end of my first stay in the city, as can be seen in the final quote. The fear of encounters and the limitations placed upon everyday practice by a lack of Czech language skills are one of the key causes of the formation of cliqued social groups and the continuing reproduction of elitist and exclusionary spaces in the city.

The fact that language learning is often dependent upon previous educational experiences or engagements, means that some TNPs are better equipped than others to speak the language than others. Mike¹¹², the Oxbridge graduate and management consultant, learnt Czech as an undergraduate, so did not need to frantically socialise with other TNPs when he arrived to work in the early 1990s. As he pointed out:

It's quite an interesting turnaround as most expats will speak some Czech, average Czech, good Czech

¹¹² Interview dated 09/05/05

or even fluent Czech, but they will have learnt it as a consequence of their stay. My stay is a consequence of my knowing Czech.

Similarly, Will¹¹³, an American real estate professional had prior knowledge of Slavic languages and culture after living and working in Serbia and Macedonia for 5 years, though he still found living in Prague difficult:

I speak Serbian and Macedonian so, from living there for so long. I find it quite difficult because of the fact that I speak that language. Because it is so close but so different. So making the switch is quite difficult to speak, but I understand most of what's going on.

Most TNPs have not had any specific Czech language training, often getting by with minimal school level knowledge of German or French they have been taught at school. This hinders integration tremendously, especially when combined with the lack of willingness to learn, and the variety of 'easy options' that exist through institutions such as the BCC combined with the 'get out clause' of English being the language of business. If this second broad phase is characterised by the beginnings of engagement with the 'Other', then language is a vital tool in achieving this. The Czech language then becomes a *sine qua non* of enabling an individual to embed within local culture and society via interaction with non-English speakers in everyday situations, and also with Czech culture more generally.

It is no coincidence that the willingness to learn Czech and to become familiar with Czech culture often follows a change in an individual's personal circumstances, especially when place specific levels of social and cultural capital are still relatively underdeveloped. For example, the pressure placed upon the spouses and families of TNPs is often severe. This stems again from a feeling of alienation, not having access to the social opportunities via the workplace that the working spouse is afforded, leading in many cases to the

¹¹³ Interview dated 25/10/04

breakdown of marriages and relationships. Mike¹¹⁴ talks candidly of how difficult it was for his wife during the early 1990s:

...my ex wife was used to working and here she couldn't. So she was at home, waiting for [Jake] to come home from school or whatever. She was really rather bored, she read a lot of books and so on. Some women have affairs, some women go mad, some women struggle and just leave and people react in different ways. For [Sam] it was, it effectively broke our marriage.

Similar themes are picked up by Wayne¹¹⁵, the American head-hunter:

What do you think are the main things that drive these [clusterings] of expats? Mostly it's because they're afraid and [also Czech] people. It's this kind of paradox. A lot of people move here for the sense of adventure, but then they realise it's not as adventurous as all that and they start to fall prey to things like depression and loneliness...But then a lot of them can't live at home because they disagree with what's happening at home, don't like the culture at home...don't agree with the politics.

Such narratives of loneliness, isolation and feelings of being an 'outsider', are found throughout the interview material and run parallel to the ways in which TNPs construct 'Czech' culture as Other. In other words then, TNPs simultaneously position themselves as outsiders, and only through time make attempts to engage with Czechs who were previously excluded spatially and socially. Lynne¹¹⁶, for example, the wife of an international executive, has found life really difficult having moved from Australia:

When we moved here I was really upbeat and positive, but I found it really, really hard...Here of course the language is like nothing I've ever heard in my life before. I had lessons for a year and I still can't pronounce anything...The most difficult thing really was meeting friends. We just haven't met the same crowd of people here, and I don't know why that is. We had been told when we moved here that there's even more, um, English speaking expats than in Vienna...

¹¹⁴ Interview dated 09/05/05

¹¹⁵ Interview dated 01/05/05

¹¹⁶ Interview dated 07/04/05

Whilst many relationships break down, the need by many individuals to construct a more 'authentic' experience of the city means that new relationships often begin during this stage. Interestingly, one of the primary coping strategies is to find a Czech partner, and the vast majority of individuals interviewed were married to, or in long term relationships with, Czech nationals. Forming a long-term relationship with a Czech national is one of the main ways by which individuals become engaged *with*, and embedded *in* 'Czech' culture. It was apparent from the interviews with individuals whose marriages did fail, that it was *not* necessarily due to infidelity on either person's part. Rather, marriage breakdowns were caused by the tremendous pressures and contradictions that form between partners, when the unspoken regard and reciprocity between two people becomes asymmetric and unstable. Popular preconceptions of TNP-Czech marriages are that the TNP is always male, and that the Czech is always female. This is inaccurate, as female TNPs have Czech partners, and several gay men interviewed also had Czech partners. Barbara¹¹⁷, a corporate lawyer from the UK, alludes to how specific leisure spaces within the city serve to act as meeting places for single men and women:

These two wine-bars [*Tretter's* and *Ocean Drive*] are just total meat markets. I mean it's just unbelievable. Lots of [Czech] women in there who don't do anything all day except go to the sauna and solarium and get dressed up and go looking for a smart, rich, British, American husband and it's just so obvious it's...wow. It is, it's a total meat market. It's where all the guys from work go to go [and] watch girls.

Indeed, having a Czech partner enables intense language learning (often on both parts), everyday stability (enabling a retreat from hyper-social structures and practices), property ownership and the potential for increasing cultural and social capital away from the spaces and networks discussed in the previous section. The benefits of living with, or being in a relationship with a Czech national are manifold, especially as such relationships enable an extremely rapid accumulation of place specific cultural capital. For example, when operating within the Czech housing market, TNPs will often be discriminated against by real estate agents as they are expected to pay higher rents than

¹¹⁷ Interview dated 23/10/04

locals (see Section 5.4.1). Additionally, entering into a relationship with a Czech national, serves to reconfigure an individual's social networks, breaking down the oppositions often held toward the perceived Czech Other. Such a process also provides the potential for an exit strategy or escape route, away from the intense rounds of socialising characteristic of TNP life, as alluded to by AJ¹¹⁸, an advertising entrepreneur:

So when it comes to social life [nowadays] it is really hard for me to say accurately, lets say, because I'm definitely not in that category. I, I think if I was in that category, if I wasn't married I may be, but I'm married, and I'm happy at home so...

Characteristic of this stage of a TNP's life-cycle within the city are practices focused toward engaging with and embedding in local culture, language and knowledges. I have discussed two of the key strategies in achieving this, specifically learning the Czech language and finding a Czech partner. So then, what of the social networks and institutional fixes that I discussed at length in Section 6.2?

This second phase of the TNP life-cycle is concerned with the quest for a sense of home, for a socially constructed authenticity and *localised* embeddedness. Whilst informants often still attend functions at the BCC and other formal business clubs and networks, the enthusiasm to be densely networked with similar people doing the same job tends to diminish, and attendance becomes a burden. Many lifestyle migrants never fully entered into such dense networks anyway, but those on corporate placements begin to require separation between work and home, something that is very difficult in a small capital city such as Prague. Lembit and Barry, sum the situation up well, implicitly referring to a desire, at least after a few years frantic socialising, for the quiet life:

I think really the first five years I was here I went a little bit mad, I think it's fair to say. Really, I went to the pub every day for 5 years. You know, I much prefer now a bit more of a quiet environment. I think also Prague's so enclosed, you know these people, you do business with them on a very regular basis, you know, to be quite frank, the last thing I want in the evening is to spend my free time with the same

¹¹⁸ Interview dated 10/04/05

people. Other people have a different opinion. A lot of people use those chances for networking, making new contacts¹¹⁹

Part of living in another country, I don't always particularly want to hang about with English people. It's one of the [dis]advantages of living here¹²⁰

Such a view is widely echoed by other TNPs, who seek to sever, or at least weaken, ties to formal business clubs and networks. This is partly due to the fact that the role of such institutions in fixing social and place based cultural capital often becomes exhausted once contacts and business knowledge have been accumulated. Friendships formed through the BCC and EBA functions may well continue of course, but the need for constant socialisation with fellow TNPs diminishes, due to these heightened levels of social and place based cultural capital. During this stage of realisation, and the loosening of dense socio-business ties, individuals often find new spaces in which to socialise. For example, several informants became members of sports clubs, gyms, pool clubs or more informal kinship groups that have come together via networking through more formalised institutions. Indeed, many of the interviewees specified that they joined *Czech* sports clubs, and sought to actively engage with the local population through these clubs:

...I play tennis at a Czech tennis club, as supposed to playing at the one all the expats play at...¹²¹

...I do other sports as well but. I do squash, I started playing squash as well. Lots of Czech people play squash, so...¹²²

[I joined]...a smaller local Czech gym, it wasn't outrageous but it had machines, had treadmills and things like that...Sometimes I go horseback riding out in the countryside, that's quite easy to do...You can develop relationships with the people that run them, you know, have a good Saturday ride¹²³

¹¹⁹ Interview with Lembit 15/10/04

¹²⁰ Interview with Barry 12/10/04

¹²¹ Interview with Barry 12/10/04

¹²² Interview with Barbara 23/10/04

¹²³ Interview with Will 17/05/05

We like, at the weekends to leave the city and to go, just a little way outside, perhaps less than an hour's drive sometimes, we go horse-riding a lot. We go riding in and around the city, through the forests at this time of year, and it's a beautiful sunny day and the trees are gold and green and yellow and brown. It's gorgeous. You ... ride through the forests and it's absolutely beautiful¹²⁴

So, whilst the importance of a semi-institutionalised social life (via institutions such as the BCC and EBA) diminishes, individuals often find their own pathways, forming lines of escape from the faux authenticity and claustrophobia of the corporate breakfasts and brunch meetings towards living a life that is imagined as being more 'real' and 'authentic'.

Referring back to conceptualisations of elitism, the evidence presented here suggests that such a thesis only holds true for the earliest phases of a stay as regards social practices. In the medium to long term, such elitist and frantic social practices become unsustainable and unappealing. The need to convert social capital into place-based cultural capital (cultural capital (ii)) becomes less intense, and improvements in linguistic skills, self confidence, heightened stability as a result of long term relationships, and the sense of achievement wrought through 'getting by', set an individual up for the second two stages of the broad typological framework of the TNP life cycle. It is also important here to examine how the spatialities of TNP social networks have changed during this second stage, as well as offering a discussion of changing fluxes and levels of capital possessed by the individual TNP. First, it is fair to say that the spatialities become less concentrated in semiotically and financially gated spaces. Whilst socialising may still take place in some of the consumption spaces outlined in the discussion of phase one, the diminishing importance placed upon the need to 'network' and rapidly accumulate social and place-based cultural capital means that social venues become more diversified. Indeed, the increases in the levels of cultural and social capital that these practices bring about enable a more diversified and less segmented set of social practices. Social relationships and friendships become removed from the confines of semi-institutionalised networks, and with this emerges a more pluralistic social life, operating within

¹²⁴ Interview with Dick 19/04/05

local restaurants, sports clubs and pubs, while less emphasis is placed upon the corporate strongholds of the downtown milieu. Second, the spatialities of consumption and social life become less elitist, and less entrenched behind exclusive pricing, enabling wider interactions between a more diverse set of individuals, facilitated in part by new relationships with, and newly gained knowledges of, 'Czech' life and culture. In Granovetterian (1973, 1985, 2005) terms, this movement serves to form new ties, weaken the previous dominance of acquaintances and networks involving other TNPs, increasing the flexibility and mutability of an individual's social network. This inevitably leads to a tension between the two fields of social life, and an individual often takes care to nurture his or her strongest relationships within the TNP social networks whilst aspects of his or her social life become detached and separated from the unsustainable and intense cycle of drinking and networking that was prevalent in phase one.

In terms of the role played by different forms of capital, this second stage provides a continuation of the initial practices of capital conversion being undertaken during stage one. Whilst levels of non place-based cultural capital and economic capital remain constant, the key fluctuations occurring relate to place based cultural, and social capital. Following a peak in social capital occurring at the end of the first stage, the sheer number of contacts and relationships formed during this early stage (and the density of these ties) means that maintaining such a large social network becomes a somewhat Sisyphean task and takes an amount of effort disproportionate to the potential gains to be made by the individual. In other words, the place based cultural capital gained during this second stage means that being part of such strongly knit social networks provides less opportunity for gaining knowledge due to a saturation point being reached. Therefore, the levels of social capital begin to diminish as an individual begins to retreat further from TNP dominated networks enabled by increased levels of place based cultural capital. These increases further enable a diversification of everyday practices less centred around the workplace, other TNPs and spaces in which the English language is dominant. The next section deals with the third phase of the life-cycle. Within this phase, a TNP builds upon the intentions outlined in phase two, concretising and

solidifying the moves away from the TNP maelstrom, whilst trying to make the best of both worlds, optimising the work-life balance in the process.

6.4. THRIVING: THE INFERNAL BALANCING ACT.

Following on from the previous section which discussed some of the motives and methods through which TNPs remove themselves from the dense and claustrophobic networks of TNP life, this section discusses how various strategies and tactics serve to widen and deepen an TNP's social network. Additionally, following from my earlier discussion of the fluid struggles for capital that are mediated through institutional fixing mechanisms, and the subsequent levels of capital that facilitates withdrawal from such cliqued networks, this section also looks at how these strategies develop new social and cultural possibilities and optimise both social *and* business life. In considering Granovetter's (1973, 2005) research regarding the 'strength of weak ties', it is evident that the diversification of social relationships away from dense, and tightly knit social networks, toward more diverse networks serves to melt the exclusionary narratives of business cliques (at least partially) into the air. The disembedding of an individual from the dense networks of institutionalised socio-business, coincides with a (re)embedding within localised frames of reference, culture, language and friendship networks. The magnetic appeal of the locally specific as a dialectically oppositional pole to the globally homogenised culture often seen as being the realm for TNP life, serves both to reassert the importance of place within the everyday lives of TNPs.

For example, my previous discussion of how learning the Czech language enables a richer and apparently more authentic experience of living within Prague and the Czech Republic demonstrates the importance of linguistic competency as a vital component of place-based cultural capital in a day-to-day context. Such a progression signifies a desire to embed locally, and to inhabit less gated spaces and social networks. Concomitant with this, then, is the desire to form ties with local places and people, often facilitated by finding a Czech partner, whose social network becomes part of the TNP's web of social relations, enabling further embedding within local culture, and as I will discuss later, local economies. As I have alluded to, the partial withdrawal from

corporate TNP life is by no means total at this stage. Strong bonds that have been made with certain individuals continue to exist, and occasional appearances at major events and social gatherings must be maintained in order to 'keep a finger on the pulse'. One interviewee, Barbara¹²⁵ a corporate lawyer, whilst finding the language, "really fucking difficult", and not being in a relationship with a Czech, has thrived socially and economically by maintaining links to both the TNP community, and through fostering relationships with Czech colleagues at work. Barbara is a keen Czechophile, but despite this she still attends functions at the British and American Chambers of Commerce:

I go to the British Chamber and the American Chamber of Commerce get-togethers, and I like talking with them as you can talk without feeling that only every second word is understood. So it's kind of relaxing. I'm not really bothered about going to a pub [with them]. Going to a pub with expats would be funny I think. I can imagine going to dinner but [not] going to a pub. I really used to hate that whole competitive drinking thing in New York.

This quote not only demonstrates why TNPs become drawn to official functions in the first place, but why many decide to withdraw, or never fully immerse themselves within such social circles. Barbara recognises the role of the Chambers of Commerce and similar business clubs and networks, but she uses them primarily as a business tool, and as a social safety valve, but always on her terms. As she points out:

I don't really have any friends in the expat community, my friends are Czech, because the thing I like doing best is sitting in a Czech pub, smoking cigarettes and drinking lots of beer and talking about nothing and everything. It's just the best. They are the world leaders at this particular recreational habit.

Barbara also manages to organise events that are aimed at bringing foreign and local professionals together. She manages and runs the office football team, and they play in competitions against other law firms from around Europe, as well as against large Czech firms and Czech Government Ministries. Being the team manager, this has provided Barbara with added kudos and social and cultural capital:

¹²⁵ Interview dated 23/10/04

...emancipation [here] means being allowed to wear more makeup! Being manager of the football team has brought me a certain kudos that I am very grateful for when I need to give people work...It's a client development thing as well which means the firm's happy to sponsor it. It means I get to meet people in the city from other firms as well, banks, accountancy et cetera...

Similarly, Wayne¹²⁶ the head-hunter, is happily married, has a baby, and finds the corporate TNP scene intolerable. Due to the nature of his work, he knows most of the 'main players' within Prague's business community, and certainly feels very little obligation to socialise in places like *Fraktal* or *Ocean Drive* with other TNPS:

I don't really dig the expatriate scene. Sometimes I go to the tourist places, talk to the tourists because that's kind of fun, to get their, to see where their heads are at, otherwise I just hangout with my friends in whatever *hospoda* [pub] happens to be convenient. My days of going out for some big serious party are kind of done.

Whilst Wayne's social network is quite small, it is also quite diverse, consisting of mainly Czech friends, but also some long standing TNPs. Jack, a gay secondary school teacher who has lived in the city since 1987, forwarded another particularly interesting point of view. He tends to socialise a lot with his partner in Prague's established gay scene, going to bars and cabaret nights, which tend to overcome the TNP-Czech divide, bringing people together with similar interests and of the same sexuality. Jack¹²⁷ never became particularly involved with the TNP drinking scene, even when he was single, he preferred to go out with his Czech friends:

They [the expats] always go to these expensive restaurants, and drink, you know, expensive bars, they will pay 70 crowns for a beer when I was paying 15 crowns for a beer thinking, 'well I'm getting ripped off at 15 crowns'...The only Czechs that were there were the ones that were waiting on us. It just had

¹²⁶ Interview dated 01/05/05

¹²⁷ Interview dated 16/04/05

this nouveaux imperialist kind of feeling to it. So I tended to avoid it¹²⁸.

Will, a gay real estate professional, has no qualms about socialising with foreigners as well as Czechs. His view on life in Prague is that foreigners tend to come together, from whatever background, because they all share the experience of being an outsider in a foreign country. He does have 3 or 4 good Czech friends who share a 'cosmopolitan ideal', or who have lived abroad and want to engage with people from different cultures and nationalities. Contrary to Will's mixed friendship group, crossing the boundaries between corporate locals and TNPs, as well as individuals of an artistic persuasion, Lembit's¹²⁹ social network is more developed and diverse, having been a Prague resident for 8 years. As his Czech is fluent, he has developed a number of strong friendships with Czechs, some of whom do not speak any English:

I have a lot of Czech friends, some of them don't speak English, I have a lot of friends from, uh, other European countries, a lot of Russians which there are in Prague. Ex-Yugoslavs, they're here because of what happened in the war, there's other people. In fact I don't really socialise that much these days, I'd probably say that the majority of our friends are now Czech, maybe something like 60, 65% Czech and 35% expat.

Lembit epitomises the disillusionment with the unsustainable networks and social practices that are all too easy to become embroiled within during the early months and years of residing within Prague. The process of detachment from the frantic social milieu has provided him with the authenticity that he found was lacking, and whilst he still keeps in contact with TNP friends, he enjoys being 'a bit more Czech'.

So then, how have the spatialities of these newly diffuse and diverse networks been expressed? The weakening of network ties, and the formation of social relationships with Czech friends and partners, has served to broaden the variety

¹²⁸ This comment, when read alongside my discussion of Alcohol Bar (Figure 5.1.), provides an interesting contradiction between the ways in which such spaces are highly controlled and monitored, perhaps suggesting that such strictly governed spaces are produced in order to even up such 'nouveaux imperialist' power relations.

¹²⁹ Interview dated 15/10/04

of venues frequented by individuals. Whilst during the early days, the focus is often upon competitive alcohol consumption and the constant struggle for survival in the physically and semiotically gated consumption spaces of downtown Prague, as time progresses the spatialities themselves become more diverse. Many individuals have talked of going to Czech places, places that are more 'off the beaten track' and seen as more authentic. Wayne talked of socialising in the nearest Czech *hospoda* [pub], where the emphasis is upon conversation, cigarettes and enjoying (as supposed to enduring) a cold beer. Barbara echoed this observation, preferring to unwind in consumption spaces that were removed from the weekly tour of wine and cocktail bars and expensive restaurants. My own experiences of both types of consumption spaces provide further insight into the micro-politics of withdrawal and retreat. It is all too simple to castigate TNPs for subscribing to, "...an increasingly homogenous lifestyle...that transcends the cultural borders of all societies..." (Castells 2000: 445), whereas in reality there is often very little alternative, without any cultural or business pre-conditioning or language training. Indeed, the spatial expression of the everyday social practices of TNPs is highly temporal, and is directly translated from the form of an individual's social network. Consequently, during this phase fewer social and consumption practices are realised through the non-places of hotels, conference centres and health clubs and luxury bars and restaurants, but also – and increasingly – through more localised consumption spaces such as the Czech *hospoda* [pub], *restaurace* [restaurant], *pivnice* [beer cellar] and *vinarna* [wine bar]. This diffusion is often linked to a TNP's mobility through the Prague housing market, which de-centres the locus of social life away from the downtown and into more peripheral, residentially focused neighbourhoods. Such a spatial trajectory is also strongly linked to the need of the individual to feel 'at home', and become embedded and localised, away from the heady round of hyper-sociality that permeates much of corporate TNP life.

Before exploring the final stage of the ideal-type life-cycle of TNPs in Prague, it proves useful to summarise the key levels of capital possessed by individuals during this third stage of the cycle. Additionally, it is necessary to reflect upon the processes of capital conversion and the dynamics of capital accumulation during this stage. First, levels of non place based cultural capital and economic

capital remain more-or-less constant despite their ongoing conversion into social and place based cultural capital. Levels of economic capital are liable to increase slightly in the third stage due to promotion within an international company or when a TNP decides to begin their own business. The main fluctuations in levels of capital again occur in the fields of place based cultural and social capital with the former increasing at a steady rate due to continuing engagements with localised knowledges, the Czech language and an increasing knowledge of the practical geographies of Prague. Social capital again begins to increase following the rearticulations of social relationships that began in stage two, with individuals forming new social relationships existing outside of the workplace and the TNP community in general. The final section of this discussion then will focus upon this notion of assimilation, and of the polar switching of social embeddedness away from the TNP cliques towards an embeddedness that is firmly grounded and subsumed within 'the local'.

6.5. ASSIMILATION AND THE ALIENATION / DISALIENATION DIALECTIC.

The previous three sections have sought to discuss the social networks of TNPs in Prague, and examine how different forms of capital, social practices, networks and spaces develop over time. This penultimate section, discusses the notion of cultural assimilation and the ways in which TNPs begin to embody the cultural traits and everyday practices of the TNP community and local Czech residents. This stems from a variety of processes of retreat from social groups dominated by other TNPs and concomitant practices of engagement with Czech residents, as outlined in the previous three sections of the chapter. Whilst an individual TNP retreats almost entirely from the densely knit social networks and gated consumption spaces characteristic of the early stages of his or her life, complete removal from these networks is impossible. In other words then, TNPs cannot completely remove themselves from social relationships with other TNPs – despite radically changing their social practices and retreating from the broader TNP community in everyday life. Indeed, despite the desire to become in some way more 'Czech' and more 'local', desires intimately bound up with the (re)construction of identity, can never be fully realised to the always partial nature of life overseas. This inevitable and permanent degree of partiality, of culture, of experience and of social life, is bound up with the sheer impossibility of forgetting, and with the obligatory, mutual and reflexive nature of

any social relationship. The strongest of social ties formed with likeminded individuals will never be fully broken down, unless through a cataclysmic moment of destruction. The practical manifestation of regard, reciprocity and obligation will always be present with a social relationship however casual. That is not to say however that casual, everyday encounters will continue in perpetuity, but the strength of lasting friendships prevent complete withdrawal from transnational friendships, family ties or responsibilities at work or at home. Whilst it is extremely challenging to fully immerse oneself into the norms, language, culture and social networks with only 'local' people in a foreign country, after a significant period of time TNPs begin to live within as local a frame of reference as is practicable, detaching work from home and developing a more sustainable work-life balance, centred more upon the realm of the private and the home, rather than the quasi-public, performance driven nature of sociality evident during the earliest stages of their stay in the city.

This phase of maturity is only rarely reached by resident TNPs, and is one that can only be discursively positioned as it is at the 'end' of an ideal-typical TNP life cycle. Indeed, many individuals, as I have previously discussed, leave Prague before this stage, either seeking new experiences, or are sent on a placement elsewhere by their employers, preventing any extended stay that would encourage engagement and increased embeddedness within local cultures, economies and social relationships. Additionally, I would argue, assimilation and detachment can be thought of as a dialectical pair as noted in the discussion of Lefebvre's (2002: 208) reading of alienation, discussed in Section 2.3.1.1. Whilst the dense and cliqued networks present at the earliest stages of a TNP's stay in the city involve joining a collectivity to avoid the problems of alienation through solitude, the practices of engagement with 'Czech' culture during the latter stages are essentially the inverse of this. By removing oneself from such cliques and dense networks of association, the individual is essentially alienating him or herself from them, along with any opportunities that such cliques provided. Becoming assimilated involves great effort and requires high levels of place based cultural capital, and very few individuals have the time, patience or opportunities to effectively switch cultures and nationalities easily, again evidence of the path dependent nature of individual experience and preparedness.

One individual who has *almost* entirely removed himself from the TNP community is Mike¹³⁰, the Oxbridge educated management consultant. After first coming to the Czech Republic in 1977 as a student, he returned in 1990 as a manager working for several large global firms, from Rank-Xerox to HJ Heinze, and he now works for a boutique management consultancy, together with two other British TNPs. It is useful to draw upon Mike's experiences as they are illustrative of those that many TNPs are striving to achieve. During the last 15 years or so, he has raised a son, endured a marriage breakdown, re-married and lived in various parts of the city. He speaks fluent 'classical' Czech, and has latterly shunned the TNP social scene, and is not involved in the BCC and doesn't frequent any of the consumption spaces mentioned above as being the central venues for conspicuous consumption. As he says of the British Chamber of Commerce:

It...tends to be a big companies club again, um, whether it's value for money in terms of networking and stuff, it tends to fall into that talking shop category. I have no time for that. Perhaps I'm not really 'clubbable' in that respect. Because, no because you don't want to, you're not in this country in that sense to talk to other Brits.

As Mike continues, his business and lifestyle philosophy becomes apparent. It is about connecting with local people and local markets, about living locally and not subscribing to the dominant hegemony of how to do business that the BCC and EBA espouse:

It's about talking to customers and being in the field. I actually think that British expats do themselves a disservice by not being more willing to have a go at [learning] Czech.

Indeed, Mike's approach to business has often deviated away from the accepted norms of 'Western' business practice which operates using English as the *lingua franca*, as he conducts internal operations in Czech, which caused difficulties for the his former MNC employers in such a polarised marketplace:

I'm a problem for the global side because of course I operate from the global world, but I want to do things

¹³⁰ Interview dated 09/05/05

more in a Czech way. I get myself in hot water at times. At one stage I got impatient waiting for a long time for sales reports...in English...I said, “stone that”, you know, just write the damn thing in Czech and have done with it.

Returning to Mike’s social life, he has essentially run full circle, as nowadays he stays in Prague during the week, and returns home to Leeds every weekend where his Czech wife works as a chartered accountant. Whilst living in Prague he doesn’t mix with the TNP crowd but tends to frequent several of the bars and restaurants in his village:

My flat in Prague is in a village called Davle, about 20 kilometres south of the city. My, the flat’s owned by my in-laws and I rent it from them, but it’s a Czech place [sic]. It’s not full of foreigners. There are about 3 or 4 restaurants and bars in the village and I go to those. I don’t stay in town particularly.

The interview with Mike is particularly interesting as he speaks of himself, in a semi-serious way, as being a Czech. The manuscript is littered with references to Slavic culture, passionate references to the Czech language and to ‘the great educator’ Jan Amos Comenius as well as the sights, sounds and smells of the city. In discussing the ‘discontinuity’ of 1989, he points out that, “...like any good Czech, I’ve forgotten all the Russian I ever new”. Whilst being one of the most localised TNPs interviewed in many ways, paradoxically he is now based in the UK and works in Prague between Monday and Friday, returning to Leeds at weekends.

Another pertinent example is that of AJ¹³¹, our advertising executive, who after having a wild first couple of years in the city, is settled in a wealthy, 1920s residential neighbourhood of Prague with his wife of 5 years. Whilst he still meets up for the occasional drink with TNP friends – from all walks of life – he is perfectly happy having settled down, especially as he can now speak Czech at a conversational level:

...my wife is always asking me, would life be more fun for me without her. You know, because I wasn’t married before, I was just a guy, and when I think

¹³¹ Interview dated 10/04/05

about you know, I had years of, I don't want to call it freedom, but 2 years here of just being stupid and crazy. Settling down was not a bad thing as far as I was concerned.

These sentiments are echoed by Dick, the British University lecturer, married to a Czech with a Czech step-daughter. He doesn't care much for socialising in the middle of Prague, but he does attend the occasional function put on by the Freemasons who have a Lodge in the city. He spends most of his time indulging in 'Czech' things. He freely admits to enjoying the Czech countryside, going skiing in the winter and horse riding throughout the year, as well as attending small classical music concerts, away from the tourist trail. It is possible, I argue, to qualitatively measure the level of cultural assimilation by the level of retreat from the typical forms of TNP socialising. The three individuals briefly discussed here all have shunned the TNP bar and restaurant scene in its entirety and their social networks are loose knit, flexible and often revolve around their wives, children and family. The looseness of these networks does not mean however that their social worlds are particularly inclusive, they are merely more diverse and highly diffuse, centring as they do on the home, or good friends who have little to do with business or work.

The spatial translations and manifestations of social and cultural assimilation then are subtle and ephemeral in nature, being difficult to detect and even harder to analyse theoretically. Given my postulation that true assimilation is a fallacy, this adds further layers of complexity to the spatial manifestations of such fluid, flexible and loose knit social networks. However, individuals displaying high levels of assimilation, conditioned and articulated by high levels of place based cultural capital, tend to socialise, relax and spend leisure time in carefully earmarked places, often *explicitly* removed from the TNP bar and restaurant circuit, and quite often removed from competitive, corporate binge drinking culture itself. Indeed, the more localised an individual becomes in terms of his or her behaviour and lifestyle, the more diversified leisure time becomes, and the more diverse the consumption spaces become. This is potentially useful as it allows us to theorise social exclusion and consumption spaces temporally as well as spatially. This chapter also serves to demonstrate that

space is socially produced via everyday practices, the levels of, and struggle for, various forms of capital as well as being the product of a number of interlocking and mutually constitutive strategies and tactics.

It is important here again, albeit briefly, to refer back to the concept of embeddedness and its plural forms and relevance relating to different ways of 'making do' socially and culturally within the lives of many TNPs. In the first section of the discussion, the emphasis was placed upon how individual's social and economic lives were embedded within tightly knit and dense networks of social relationships, that served the dual functionality of providing a social outlet as well as providing the opportunity to make business contacts, blurring traditional boundaries between 'work' and 'leisure', 'economy' and the 'social'. Indeed, the processes of embedding discussed in the first section essentially immersed individuals within a homogenous, placeless corporate culture, described by Castells (2000: 447) as follows:

...there is an increasingly homogenous lifestyle among the information elite that transcends the cultural borders of all societies: the regular use of SPA installations (even when travelling), and the practice of jogging; the mandatory diet of grilled salmon and green salad, with *udon* and *sashimi* providing a functional Japanese equivalent; the "pale chamois" wall color [sic] intended to create the cozy atmosphere of the inner space; the ubiquitous laptop computer, and Internet access; the combination of business suits and sportswear; the unisex dressing style, and so on.

Over time the novelty of such a place-less corporate culture begins to wear off, and individuals actively seek to disembed themselves from dense homogenous social networks and corporate culture, and embed and re-articulate their everyday lives and social networks in what they perceive as a more 'authentic' local culture and set of socio-spatial practices. This switching of cultural, social and economic embeddedness is essentially due to an engagement with place and a rejection of placelessness, inauthenticity and exclusion implicitly promoted by certain corporate culture-economies of work. Additionally, whilst demonstrating the differentiated space-times of embeddedness, the processes outlined here serve to demonstrate how partial assimilation is a necessity in the

medium and long term and is linked to the forms of social networks and everyday practices that an individual performs on a daily basis. Such spatio-temporalities are further evidenced by the forms of capital possessed during this final stage of the TNP lifecycle. The maturity of this stage is characterised by high levels of all four of the different forms of capital referred to in the preceding discussion, all increasing steadily during this stage. Economic capital increases due either to further promotions within the individual's employing company or by increasing expansion of his or business. Both forms of advancement are due to the high (and still increasing) levels of place based cultural capital that allow a detailed knowledge of the Czech marketplace. Additionally levels of social capital also steadily increase, though not with the rapidity that characterised stage one, indicative of the conversion of place based and non-place based cultural capital into social capital. Such increasing, and high, levels of all the different forms of capital is generally indicative of a stage of maturity being reached, and in the following section the overall progression capital accumulation and convergence are discussed over the entirety of the lifecycle.

6.6. CONCLUDING COMMENTS.

Before engaging with the theoretical implications that this chapter has upon understanding the production of exclusionary spaces in the city of Prague, it is necessary to summarise the key points outlined in detail in the preceding sections of this chapter. Table 6.1 (overleaf) summarises the key findings derived from in-depth interview material and delineates four main stages of a TNPs lifecycle in Prague. Such an abstraction provides a vital framework for bringing together, and expanding upon, the ways in which Bourdieu conceptualised the role played by multiple forms of capital in everyday life. Additionally, the framework employed here serves to bring a sense of place back into the work of Bourdieu, suggesting that his conceptualisations have an important role to play in understanding the *geographies* of everyday life. As Painter (2001) has observed, Bourdieu's impact upon the discipline of human geography has been somewhat limited, and the conclusions offered here provide a departure point for (re)engaging with his work in an explicitly geographical context.

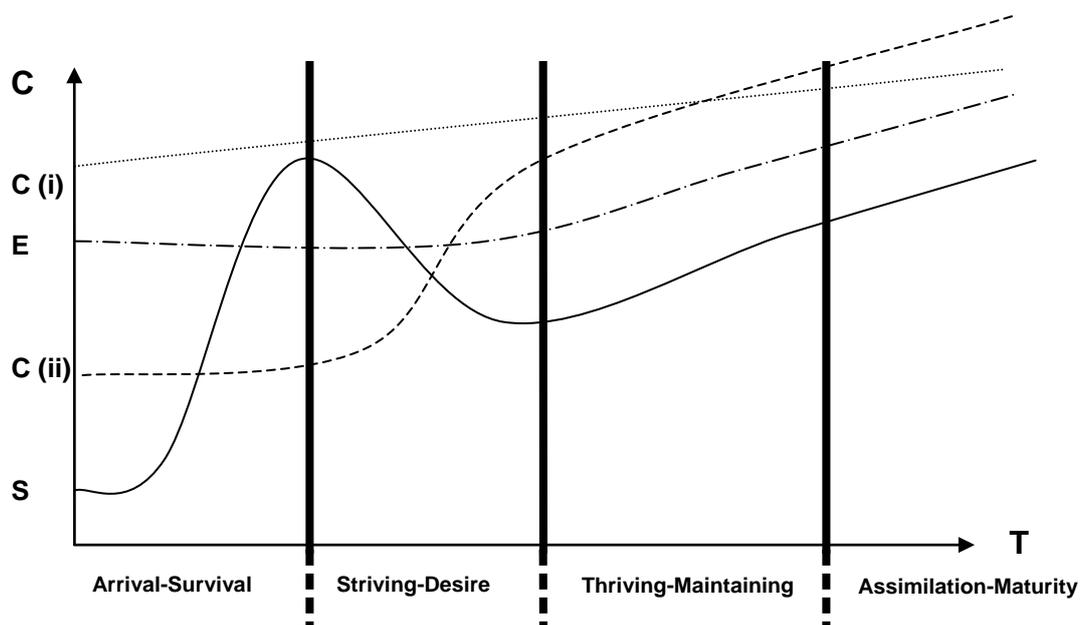
	Duration	Nature of Employment	Social spaces	Network Characteristics (key described overleaf)	Capital Levels (see Fig 6.3)	Capital Conversion Practices	Nature of Exclusion(s)
<p>↓</p> <p>STAGE 1</p> <p>Arrival and Survival</p>	0 months to 1 year	Corporate. Typically employed by a major multi-national producer service firm. Often takes the form of a 1 to 2 year placement	Stereotypical 'elite' spaces: Alcohol Bar Tretter's Bugsy Malone's Kampa Park Legends		Economic ++ Social -- Cultural (i) ++ Cultural (ii) --	Cultural (i) and economic capital into social capital in bars, the workplace and through formal institutions such as the BCC and EBA.	Dual. TNP's feel excluded from certain 'local' spaces and therefore end up contributing to the exclusion of local residents.
<p>↓</p> <p>STAGE 2</p> <p>Striving and Desire</p>	1 year to 2 years	Still employed within corporate sector. Realisation that decisions regarding future need to be made	As above, but these venues visited less regularly. New places visited.		Economic ++ Social + Cultural (i) + Cultural (ii) -	Social capital converted in place specific cultural capital, including language, geographical knowledge etc. TNP often begins relationship with Czech national.	As above. Beginning of dissatisfaction with being alienated from 'the local'. Desire to retreat begins to emerge.
<p>↓</p> <p>STAGE 3</p> <p>Thriving and Maintaining</p>	2 years to 5 years	Growing dissatisfaction with corporate employment. Decision to settle in Prague depended on corporate advancement or setting up of own business.	Social spaces become increasingly domesticated and less centred around 'gated' city centre spaces. Pool Halls. Sports clubs. Local bars.		Economic ++ Social ++ Cultural (i) + Cultural (ii) +	As place specific cultural capital continues to increase, it can be converted in social capital. Friendships with Czech residents and colleagues begin to form, aided by language improvements	Exclusion of, and by, the Czech Other begins to dissipate. Phase of border crossings and realignment.
<p>↓</p> <p>STAGE 4</p> <p>Maturity</p>	5 years and over	Development of own business continues apace, or TNP reaches the upper echelons of the corporation regionally.	Social spaces recentred to the neighbourhood level and the local bar and restaurant. Withdrawal from elite CBD Spaces		Economic ++ Social - Cultural (i) o Cultural (ii) ++	Continuing conversion of cultural capital into social capital. Continuing decrease in maintenance of previous ties to other TNP's leads to net decrease in social capital volume	Increasing embedding in localised practices, networks and norms. Increasing Exclusion from TNP's.

Table 6.1. Ideal – Typical Characteristics of the Different Stages in a TNP's Social Lifecycle.

The remainder of this conclusion proceeds with a critical discussion of Table 6.1, then offers a graphical illustration of the ways in which the capital levels possessed by an individual fluctuate over time (Figure 6.3) and discusses the transforming nature of inclusion and exclusion both affecting, and affected by individual TNPs, suggesting that processes of inclusion/exclusion are profoundly dialectical in nature.

Much of Table 6.1. is self explanatory, for example regarding the temporalities of each particular stage, the nature of employment and the particular social spaces frequented by an individual. The four columns on the right however merit further attention. The first, graphically illustrates the changing nature of an individual's social network and the strength of the different relationships making up the network. Strong ties to other individuals are indicated by solid lines whilst weaker ties are indicated by dashed lines, black circles indicate other TNPs and grey circles indicate Czech acquaintances and friends. As time progresses the nature of an individual's associations transform, with the high number of dense ties with other TNPs that characterise stages one and two breaking down into several strong ties or friendships, and a wide ranging, but weaker, network of associations with other TNPs.

Figure 6.3. Ideal-Typical Diagram of Capital Fluxes (S=Social capital, E=Economic capital, C(i)= Non place based cultural capital, C(ii)=Place based cultural capital).



Concomitant with this weakening of associations with other TNPs (often produced through the auspices of institutions such as the BCC and EBA) is an increasing diversity of social ties with Czech colleagues and acquaintances. The next column offers an illustration of the levels of capital possessed by an individual TNP, and how these capital levels transform over time. The temporal development of the different levels and proportions of capital possessed by individuals (again, an ideal-type illustration) can be seen in Figure 6.3.

As can be seen, the levels of economic capital possessed are high throughout an individual's stay in Prague, generally increasing over time as the individual either achieves promotion within their existing employer, or by setting up their own business. The first form of cultural capital, consisting of formal educational qualifications amongst other aspects (see Chapter 2 for elaboration) is open to little change, being of a relatively high level upon arrival and increasing steadily over time and not being open to great fluctuation. The role played by social capital and place specific cultural capital (c (ii) in Figure 6.3) is however more complex and central to the evolution of social networks. It is fair to say that both of these forms of capital are strongly linked to place, and in the case of social capital the geographical distance between a TNP and friends living in their home country inevitably means that face-to-face interaction occurs less frequently, meaning that only the strongest transnational relationships survive.

Additionally, despite the well reported advances in communications over the last 20 years or so (particularly telephone networks and the internet, but latterly also emerging technologies such as Skype), physical proximity plays an important role in the maintenance of social relationships¹³². This inevitably means that upon arrival in Prague, TNPs invariably have few social contacts (other than family members who may also have travelled) 'in place' so social capital during the earliest stage of their stay is low and often centred around work colleagues (see the discussion of Lesley's experiences in Section 6.3). One of the main processes at work during the first two stages of a TNPs stay in the city is to

¹³² An extensive literature in human geography exists concerned with the 'end of geography' (see Castells 2000; Ohmae 1990, 1995) on the one hand and the importance and centrality of place on the other (Hirst and Thompson 1999; Peck 1996).

build social contacts, both to make new friendships and contacts *per se*, but also to increase their knowledge of the local business environment and gain knowledge of the practicalities of living in Prague (see for example the case of Barry and his forays into the housing market discussed in Section 6.4). The practices stemming from a lack of social capital and a lack of local knowledges affect the makeup of social networks, encouraging the formation of strong ties with other TNPs. These strong ties enable an increase in place specific cultural capital, which in turn lead to a diversification of everyday (social) practices that then leads to a decrease in social capital during the second stage of a TNP's stay. This decrease is both due to this increasing diversity of practices enabled by increases in place specific cultural capital, but is also indicative of the difficulties of maintaining a large number of strong social ties. During the latter two stages of the lifecycle, all levels of capital possessed increase at similar rates following the periods of adjustment and rearticulation discussed above.

Given the changing levels of different forms of capital outlined above and in Table 6.1 and Figure 6.3, it is necessary to reflect briefly on the processes of capital conversion that characterise each of the four stages of the ideal-type lifecycle of TNPs in Prague. The first section is defined in many ways by the conversion of path dependent business and educational knowledge (cultural capital (i)), economic capital and social capital, into place specific cultural capital (cultural capital (ii)). In other words, the forming of strong social ties with a relatively large (but not diverse) set of individuals who have lived in the city enables an exchange of information and knowledge, particularly relating to cultural norms and nuances, the everyday geographies of the city and issues relating to language learning. These specific conversion practices continue through the first two stages of a TNP's stay in the city, and eventually facilitate a break way from these strong ties with other TNPs. Increasing levels of place based cultural capital and a growing dissatisfaction with the competitive drinking culture of corporate life lead to the formation of social relationships with more Czech nationals, representing a conversion of place specific cultural capital into social capital. These new, and often more enduring, relationships also serve to maintain the accumulation of place based cultural capital throughout the latter two stages of a TNP's stay in Prague. Whilst the dynamics of capital accumulation, possession and conversion are important in the construction of

exclusionary networks and spaces, it is also vital to recognise the ways that such networks and spaces are (re)produced through a variety of practices and ways of making do.

Aside from these discussions of social networks, multiple forms of capital and the role played by capital conversion through everyday practices, the exclusionary nature of these practices and spatialities must also be discussed so that we can begin to understand their material consequences. The concept of exclusion in this thesis I argue should be seen as a dual process that is reliant upon TNPs excluding other groups and feeling excluded themselves. From the outset, a TNP's social practices (central to processes of capital conversion) should be seen as ways of coping and making do in a city where such individuals are in the minority. In other words, an individual experiences a (re)construction of his or her identity in these new and foreign surroundings, inevitably leading to the production of a complex set of inclusions and exclusions. During the early stages of a TNP's life, a lack of Czech language skills and the knowledges required to live a diverse and high quality everyday life are simply not present and can only be gained through interactions with other TNPs. Contingent to these phenomena are the construction (albeit temporarily) of densely linked and 'gated' social networks and the reproduction of exclusionary spaces (such as *Alcohol Bar* and *Tretter's* for example) that such networks encourage. Such exclusionary social relationships and their attendant networks and spaces are, however, by no means permanent and over time social relationships rearticulate and the spaces that such relationships are realised through become less elitist and exclusionary.

It is useful here to present a quote from Henri Lefebvre, concerning difference, that can readily translated into understandings of exclusion-inclusion providing a lucid commentary upon the kinds of processes at work between different social groups (defined by class, wealth, ethnicity inter alia), "Otherness is distance, an inaccessibility which threatens us and drags us away. Ipso facto, otherness tears me from myself. It attracts me, it fascinates me" (Lefebvre 2002: 215 emphasis in original). This quote can also be used as a way of understanding the switching and dual nature of the exclusions that TNPs are bound up in,

evidenced by the move away from exclusionary and dense social networks and gated consumption spaces dominated by other TNPs, toward a more diversified set of social practices operating through a wider range of spaces and associations. In other words, by engaging more with Czech residents and localised cultural inflections, the exclusions produced by TNPs change and instead of serving to exclude, and being excluded by, individuals and spaces seen as Czech, their everyday social practices break down the borders existing during stage one of the TNP life cycle. In line with Lefebvre's understanding of the allure of difference, I suggest that that the practices of retreat away from corporate everyday life and the spaces that such an everyday life produces is indicative of an ongoing and never ending movement between states of inclusion and exclusion, included and excluded, whereby a totality of inclusion or a totality of exclusion are *never* fully realised. By retreating away from the exclusionary networks and spaces of the corporate community by engaging with Czech residents, learning local cultural norms and practices and becoming proficient in the Czech language, the individuals that played such an important role in everyday life during the earliest days eventually become excluded themselves. Again, as Lefebvre (2002: 215) notes, "[t]o pass from the other to otherness is to discover something unknown; it is to discover something distant in what is near". The linkages between practice, capital and space are indeed complex and interwoven and could well be seen to defy any form of analysis, however, this chapter has served to examine this complexity and begin to unpick and abstract these complexities in order that it may become possible to, "...enrich Bourdieu's concept of capital in its various forms and offer the prospect of improved understanding of contemporary social life" (Painter 2000: 258).

Finally, it is useful to reflect upon what these findings tell us about the nature of the group of research informants, particularly how they compare to individuals in discussed in Chapters 1 and 2, the 'transnational elite'. As I have argued previously, it was expected that the informants would differ markedly from the 'global elites' of Saskia Sassen and Leslie Sklair. Indeed, by adapting the theoretical approaches of Pierre Bourdieu (1986) it has proved possible to gain a deeper understanding of the social practices of TNPs and the ways that these

contribute to the production of exclusionary spaces. Importantly, I argue that whilst certain spaces and practices discussed within this chapter (e.g. expensive restaurants and cocktail bars) are indicative of financial wealth, the difficulties experienced by many of the informants are at odds with understandings positioning them as a homogenous and 'all powerful' elite. Rather, by understanding the role of place and the nature of everyday practices 'in place', we begin to see that an apparently homogenous group is in fact heterogeneous and differentiated, depending on the national and regional contexts. The fact of the matter is, that Prague, whilst an *emergent* global city and centre for the produce services regionally, is by no means a truly global command and control hub for the tertiary sector. Additionally, the fact that a number of research informants left their employing MNCs and set up their own companies does not fit existing research on TNPs living in Singapore or New York, where the focus is strongly focused upon those working within MNCs. However, these individuals do share certain features, particularly in terms of financial wealth, relative to local equivalents, and it is therefore important to further explore their practices and examine further the nature of this group of individuals within Prague. The following chapter will further examine the everyday practices of TNPs, specifically focusing upon the role of rhythm and repetition in everyday life and the consumption practices of TNPs.

CHAPTER 7

RETHINKING ELITISM AND EXCLUSION THROUGH EVERYDAY RHYTHMS AND PRACTICES.

...social life is plied by a range of such practices as negotiation practices, political practices, cooking practices, banking practices, recreation practices, religious practices, and educational practices...[A] practice is a “bundle” of activities, that is to say, an organized [sic] nexus of actions.

Schatzki (2002: 70-71)

...it is the ad hoc improvisatory strategy imposed on people’s practices by the fact that they have a limited time in which to carry out particular activities that is a crucial part of practice, practical consciousness, and practical meaning. Practice, therefore, is always situated in time and space.

Thrift (1983: 31)

7.1. INTRODUCTION.

Following the discussion in the previous chapter concerning the social practices and networks of TNPs and the narratives of exclusion implicit within them, this chapter deals with the everyday spatio-temporal rhythms and consumption practices of these individuals. Whilst there has been much discussion within the literature regarding the role of TNPs in the production of knowledge (Beaverstock 2005; Hall 2007, 2008) and within the realm of socio-business relationships (see Beaverstock 1996a, 1996b, 2002), crucially there has been very little discussion and analysis of how the everyday practices of these individuals reproduce particular spaces, power relations and groups outside the workplace (see Chapter 2 and Chapter 6). The issue of concern here is an examination of the ways in which such practices serve to produce exclusionary spaces. Whilst the social lives of TNPs were examined in some detail in the preceding chapter, the focus here will be firmly upon the spatio-temporal

aspects of the everyday, particularly the role played by rhythm and repetition in governing everyday practices and the way in which such rhythms and practices encourage the reproduction of particular exclusionary spaces. In addition to these concerns, this chapter will attempt to further engage with the work of Michel de Certeau and Henri Lefebvre critically reviewed in Chapter 2.

The first concept that should be (re)introduced here is that of everyday rhythms, outlined by Henri Lefebvre (1991, 2004). The everyday rhythms discussed by Lefebvre are, I argue, significant in any understanding of individual and group action, and the study of such rhythms can provide fresh and original insights into the ways in which everyday lives are spatially and temporally governed and constrained, and the effects that such governance has upon the production of exclusionary spaces within the city. The argument presented here is that an individual's everyday life, and hence their everyday space-time rhythms, are a product of a multitude of different but interrelated practices, conditions, restrictions and 'enablements', guiding an individual's time-space pathways through the city. Additionally, these rhythmic patterns, and the practices that constitute them, are bound up with the accumulation of various forms of capital discussed in Chapters 5 and 6. Indeed, the centrality of work (which could be rescripted as the accumulation of economic capital) in everyday life provides one of the primary limits to how time-spaces of everyday life are structured (see also Chapter 6). The inherent complexity of the skein of practices that constitute everyday life are difficult to break apart, and whilst there are various ways in which such assemblages may be theorised, the easiest way of gaining a practical understanding is via a suitable set of entry points.

For example, one could utilise the path-breaking work of Louis Althusser (1969, 1970, 1972) to conceptualise this complexity as an overdetermination of processes and practices, recognising the condensation of a potentially infinite set of conditions (or in this case practices) into one overdetermined 'reality'. Such a thesis is compelling, though I would argue that it is not best suited to understanding the complexities of everyday life or practice(s). Bourdieu (1986) perhaps offers the most pertinent understanding of the complexity of everyday life and how it is governed through his notion of 'habitus', referring to:

...[the] ensemble of schemata of perception, thinking, feeling, evaluating, speaking and acting – that structures all the expressive, verbal and practical manifestations and utterances of a person. (Krais 1993: 169-170)

Such a conceptualisation allows us to recognise the complexity of existing conditions that govern and structure our everyday spatial practices, and when used in conjunction with contemporary theories of power that recognise its relationality, fluidity and mobility, can offer a suitable framework for developing a critical geography of the everyday. However, for Bourdieu the notion of habitus hinges upon attempting to measure and objectively examine the relationships between lifestyle, ‘taste’ and class position which is in itself problematic due to the ontological difficulties of classifying individuals into categorically defined, albeit mobile, groups. Additionally, Bourdieu attempted to demonstrate that practices are, “... [amenable] to socio-economic rationality” (de Certeau 1984: 59) which again is problematic as it pays little credence to momentary actions, or indeed subversive practices that attempt, often through *irrational* means, to disrupt prevailing orthodoxies of practice. Within this thesis, I recognise the complexity of everyday life and everyday practices, and argue that by gaining an understanding of the practices and experiences of the research informants, new light can be shed upon the spatio-temporalities of everyday life, and the ways in which power is inherent (in its multiple forms) to the practice of everyday life.

In the previous chapter my discussion of the changing social networks and relationships of TNPs demonstrated how dissatisfaction can crystallise, following which a significant reconfiguring of an individual’s social practices and relationships occur involving a particular individual. In much the same way then, the everyday time-space rhythms that TNPs are subjected to, are constituted by, and produce, involve similar processes and critical moments (Lefebvre 2002: 340-359). These moments of creative destruction form, in this case, from a variety of constraints placed upon the individual in question, that serve to limit and suppress the diversity of everyday practices, drawing upon Foucaultian understandings of power. As I have alluded to above, the dominant role played by work and the emphasis upon the accumulation of economic capital under

neoliberal capitalism plays a major role in limiting the spatio-temporal possibilities of everyday life. It is however equally important to recognise that despite the apparent dominance of work and the accumulation of economic capital in everyday life, everyday practices should not be seen to be completely at the mercy of paid work. Indeed, everyday life is structured and governed by more than work, and there are always techniques available for subverting the repetitive rhythms of everyday life¹³³. In fact, the nature and culture of an individual's work and livelihood serve to structure everyday life to a significant degree, but cannot be said to be determinant of an individual's everyday life and rhythms.

The economic and work-based constraints placed upon an individual are of course open to variation, often reliant upon the nature of employment. If an individual is self-employed then everyday lives are often more varied as the individuals themselves set their daily agenda. However, it cannot be said that the moments of realisation that lead to a shift in everyday rhythms and practices can be reduced to purely *economic* factors or merely to the imperatives of economic capital accumulation integral to the reproduction of neoliberal capitalism. For example, as outlined in the previous chapter concerning the accumulation and conversion of multiple forms of capital, the factors governing retreat from corporate networking stem from a desire to lead a 'fuller' and somehow more 'authentic' everyday life, away from the imperatives of work and the corporate culture-economy. Similar reasoning can be seen throughout the rest of this chapter as I discuss the changing everyday geographies of individuals and the exclusionary narratives that they are embroiled within. I emphasise how the accumulation of economic capital plays an important role in structuring and governing everyday practices and rhythms, but also how it is by no means the determining essence of everyday lives or the practices that constitute them.

Finally in this introduction, and in-keeping with the overriding theme of this thesis – that of the production of exclusionary spaces – some initial comments need to be made regarding how everyday lives can be seen to be exclusionary towards certain individuals and groups. The argument presented in this chapter

¹³³ See for example the discussion of *la perruque* in Section 2.3.2.

is that everyday lives produce exclusionary spaces in two main ways. First, the nature of an individual's everyday rhythms has a significant impact. For example, highly routinised, replicable and spatio-temporally limited rhythms serve to limit the geographical range of everyday practices, as well as the scope for varied social and cultural engagement. Someone working from eight thirty in the morning until well past seven o'clock at night, stopping only for a mid-morning coffee and lunch with colleagues before returning home, is clearly being limited by a variety of factors (culture of work, time pressures, fear of not meeting goals, desire to make a 'good impression' etc). These limiting factors govern an individual's daily space-time pathways meaning that their pathways and encounters *within*, and interactions *with*, the city become replicable and normalised, often allowing for relatively few chance (or planned) encounters. Additionally, many individuals believe they 'do not have the time' to learn Czech, shop 'locally', explore the city and engage with different people in different spaces, offering profound implications for our understanding of neoliberal capitalism. Such rigid space-time pathways, whilst offering a refuge within the realm of the familiar, serve to separate an individual from many aspects of Czech culture, an engagement with places 'off the beaten track' and the forming of social relationships with non-English speaking locals. Such heavily governed everyday rhythms serve to further deepen already existing material exclusions by limiting the diversity of engagement, practice and experience. These everyday rhythms do, however, provide a refuge and comfort in the familiar, and therefore prove very difficult to break away from, unless the replicability of everyday practices become too *intense* for an individual to bear or sustain.

Second, in addition to the role of everyday rhythms in contributing to social exclusion, the everyday practices that constitute these rhythms also play an important role in producing exclusionary spaces. The apparently mundane practices of choosing where to live, where to shop, how to travel around the city, where to go for a drink and where to eat, are decisions that are made based upon behaviour stemming from a perception of being excluded and/or being fearful or unable to engage in certain place based social encounters or cultural practices. Such practices and their exclusions are, I argue, dependent upon the accumulation and conversion of various forms of capital as outlined in

Chapter 6. The possession of social, cultural, and financial capital serve to influence an individual's everyday practices by governing what a person 'can' and 'cannot' achieve. For example, a TNP with good Czech language skills is more likely to shop in a local grocery shop or butchers. It seems fair then to propose that everyday practices and the exclusionary spaces they help produce, are governed and regulated by a wide variety of processes and factors, stemming from the accumulation and possession of various forms of capital and the time-space geometries in which such struggles take place. The next section of this chapter demonstrates how socio-spatial exclusion is constructed through everyday rhythms and consumption practices drawing upon the experiences of a variety of individuals living within Prague, as well as my own observations taken from participant observation and field diary entries.

7.2. THE PRODUCTION OF RHYTHMS AND THE PRODUCTION OF SPACE: THE UNEASY MUNDANITY OF EVERYDAY LIFE.

Examining the everyday rhythms of urban life in a post-socialist city involves an engagement with *all* of the spatial practices an individual participates in on a day-to-day basis. Additionally, these rhythms involve both temporal and spatial narratives as individuals traverse both in the practice of everyday life. These space-time pathways and trajectories are subject to a variety of rhythms, governed by bodily needs, emotional and material desires, the culture-economy of work and livelihood, the need *and* desire for sociality as well as the need for solitude. The complex spatialities of these practices indicate that everyday rhythms and lives are constantly engaging with worlds of material and non-material (re)production and consumption, and therefore are integral to understanding capital accumulation and the production of (exclusionary) space(s). Additionally the rhythms of everyday life are exclusionary in the most basic sense: individuals go to some places and not others; they socialise with some people and not others; they shop and consume in certain spaces; they live in certain places and not others. Such exclusionary practices seem banal at the outset, but when we consider that these exclusions are often by-products of an individual's day-to-day tactics and strategies coming together as 'ways of making do', we begin to see how socio-spatial exclusion is constructed not merely through physical walls and barriers but through the everyday lives of every individual. Each day individuals make decisions at key moments, whereby

vital choices are made: where to shop? Where to go for a post-work drink? How to get home? Each of these decisions inevitably becomes more or less routinised, making everyday rhythms more (or less) rigid, replicable and familiar. However, whilst familiarity should not be rendered as a purely negative phenomenon, over-familiarity however can prove claustrophobic after a period of time, serving to constrain and limit an individual's everyday activities in time and space.

In Prague, for example, and indeed in any space that is constructed by an individual as being 'alien' where they feel 'out of place', one way of coping with this alienation is to form replicable and highly routinised everyday lives where each week follows similar rhythms; meeting similar people, doing similar things and frequenting the same places to shop and socialise. Such tactics are a way of carving out a sense of home and belonging in an environment governed by fear linked to an unfamiliarity of the cultural, economic and social landscape. In other words, the routinisation of everyday practices and rhythms can provide some certainty in an uncertain life world. However, it is important to point out that this routinisation of rhythms is not irreversible. In the previous chapter, I outlined how the replicability of everyday life often became too heavy a burden to bear and led to significant restructuring of an individual's social life and relationships. Such intensity I argue, is inevitable likely, but by no means inescapable, consequence of living and working in a foreign, and in many ways, alien(ating), environment and is only ameliorated by accumulating social and cultural capital. The concept of the moment (see Lefebvre 2002: 340-358) can also be used as a mechanism for understanding everyday rhythms. The reconfiguration of an individual's time geographies, brought about by the hyper-intensity of everyday life (see Chapter 6 for further discussion), serve to make specific forms of everyday life and everyday practice(s) unsustainable and to be perceived as 'inauthentic' by the individual. In other words, when everyday rhythms reach a certain intensity and level of routinisation they become claustrophobic and limiting. Where once such replicable rhythms provided a refuge from fear and confrontation with difference, they become prisons from which individuals seek to escape and live a more diverse and less rigidly structured life.

Before presenting two case studies, it is necessary to reiterate that the complex and syncopated rhythms of everyday life are difficult to conceptualise in that a TNP's everyday life is highly individualistic whilst also sharing commonalities and similarities with lives of other people engaged in similar cultures of work, employment, educational attainment and following similar life-course trajectories. If it is understood that everyday life is always open to ruptures, reconfigurations, moments of possibility and, more broadly speaking, life course changes, the concept of everyday life is highly complex. As a way of visualising and conceptualising these everyday geographies, and how they develop and change over time, this section will progress through two case studies illustrating the everyday rhythms and practices of an illustrative research informant and my own experiences of everyday life (and rhythms) in Prague. In each case the examples will consist of combinations of interview material (in reflecting upon my own experiences this will take the form of research diary excerpts), photographs of key sites and diagrams of everyday time-space pathways. Such diagrams prove to be a useful way of demonstrating the spatialities and temporalities of everyday life (see Latham 2003a, 2003b; Latham et al 2003), and how they change over time, reflecting the arguments made above concerning geographies of exclusion, the creative-destructive tendencies of highly routinised lives and the processes of withdrawal and engagement. The following sections will consist of two in-depth case studies of research informants, before a discussion of consumption practices deployed by TNPs in Prague.

7.2.1. Case Study 1: AJ

One such example of the strongly rhythmised everyday lives of a TNP during the early months of a stay was provided by AJ, the owner-director of a successful advertising agency. His experiences of Prague and life in the Czech Republic have been significantly reconfigured by a succession of critical moments and coincidences. AJ arrived in the city in 1995 as an act of rebellion against his parents in the USA and began by working in a bar and staying on a friend of a friend's floor in Žižkov (an area of Prague that is still a largely working class area) and, since 1989, known for having a thriving Bohemian atmosphere popular with backpackers and artists.. When AJ first arrived in Prague during 1995 he admits to living a pretty hedonistic lifestyle:

...when I first got here I was 22 years old, I was full of hormones and, I mean it's true I was a young guy...The whole social scene in those days was all like, you know, everything was going on pretty much revolved around a few places, a few people and that was it so...My intention was to be here for 6 months and then go back, so I was like, party, party, party, party...¹³⁴

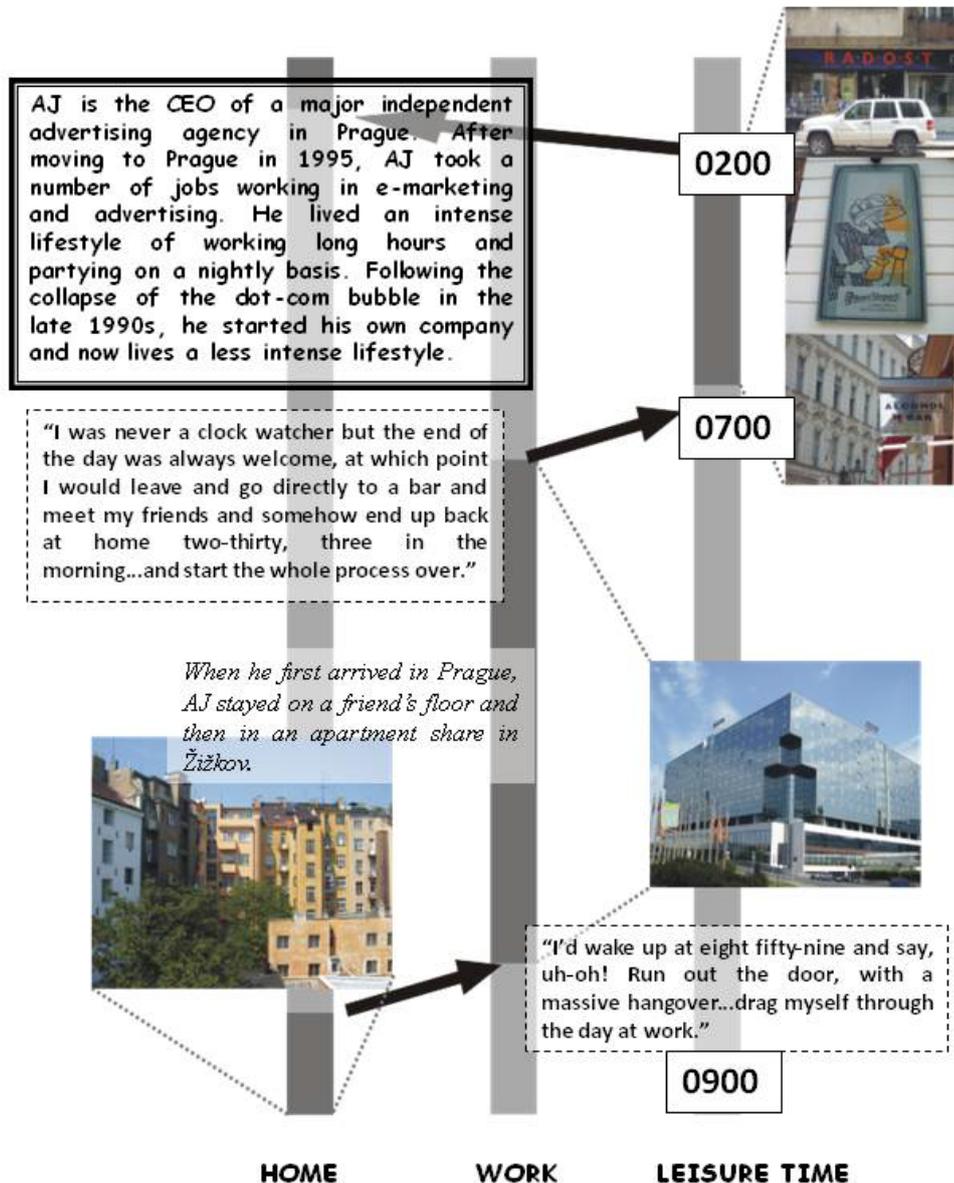
After the first 6 months of his stay spent working late nights in bars, AJ found more permanent employment in a large international advertising agency. This job required long office hours and being involved in heavy socialising after work and each followed the same routinised rhythm, centred on the workplace which governed his everyday life and practices for a year:

I'd wake up at eight fifty-nine, say, "uh oh!", run out [of] the door, with a massive hangover, obviously forget something that I needed to bring to the office that day, drag myself through the day at work. I was never a clock watcher but the end of the day was always welcome, at which point I would leave and go directly to a bar and meet my friends and somehow end up back at home at two-thirty, three in the morning and start the whole process over...

Such intense daily rhythms revolving around the home-workplace-bar triad (see Figure 7.1) are commonplace during the early stages of TNP's stay (see Chapter 6), and reasons for this are similar to those governing the forms of embeddedness and social networks discussed in the previous chapter. It must however be reiterated that the time-space pathways and everyday rhythms are very different for 'corporate' TNPs than they are for self-employed individuals. For example, in Figures 7.1 and 7.2. (overleaf), the changing spatialities and temporalities of AJ's everyday life can be seen. Following his decision to stay in the city, AJ lived in Žižkov and worked and socialised in the city centre.

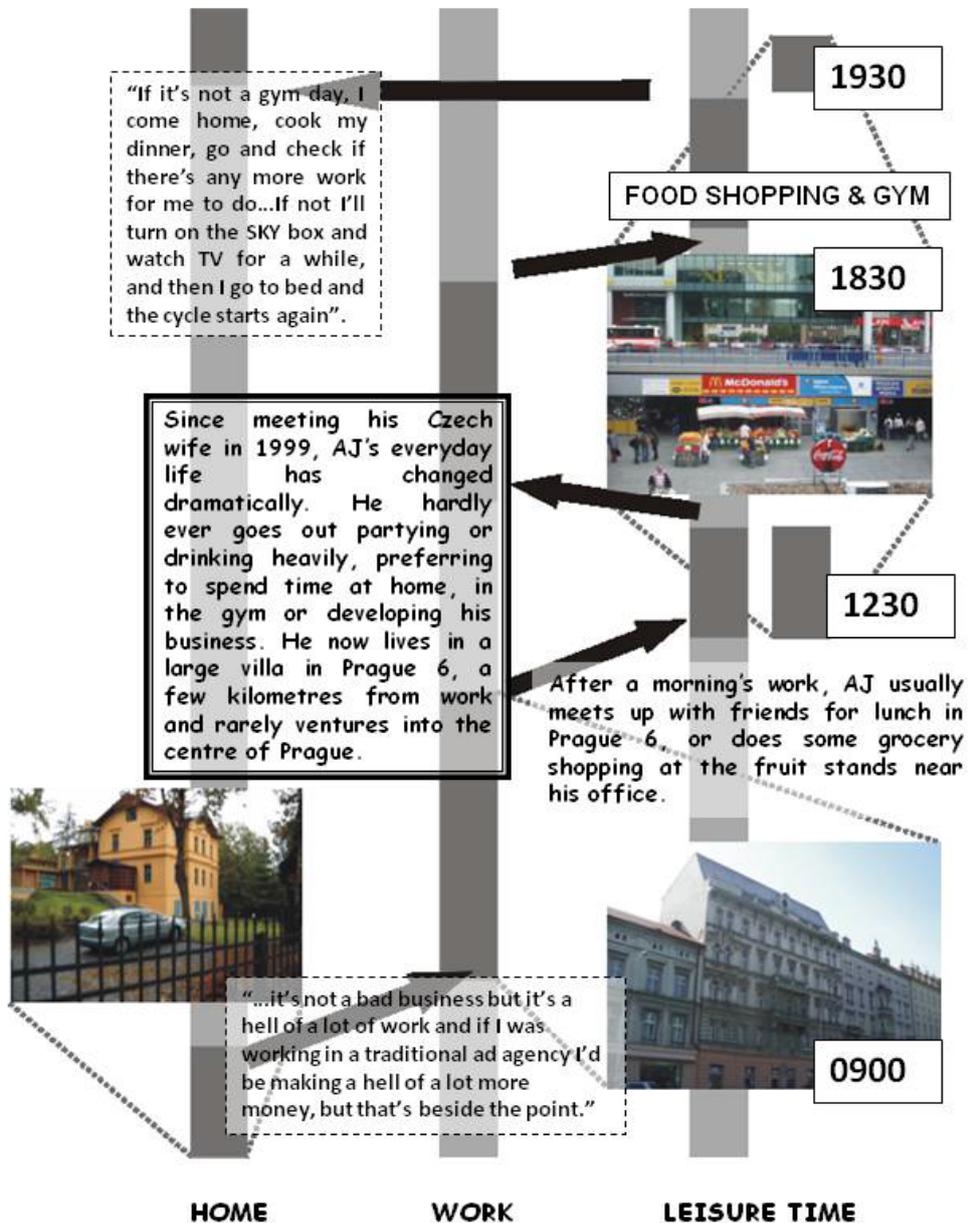
¹³⁴ Interview dated 10/04/05

Figure 7.1. Time-Space Diagram for AJ, 1995-1997¹³⁵.



¹³⁵ Time is represented on the vertical axis in Figures 7.1. and 7.2, with each day starting at the bottom of the diagram.

Figure 7.2. Time-space Diagram for AJ, 2000 to 2004.



As he became involved in an ever more hyper-social everyday life, revolving around competitive drinking, he began to realise that 'enough was enough'. This moment of realisation coincided with meeting his wife, a Czech woman to whom he is now married, and decided to start his own business in the city. Nowadays

his everyday life is, by his own admission, more sedate, and revolves around the suburban district of Prague 6, where his business and home are located. AJ readily admits to hardly ever going 'down-town' unless necessary for business, shopping, or to occasionally meet up with his friends.

Again then, the role of the economic and of 'work' in everyday life can be seen as being important, especially as the nature and culture of an individual's work can change so rapidly over time. Many TNP's decide to 'go it alone' and set up their own companies, as they begin to feel the need for independence and freedom away from the largest corporate multinational companies. Additionally, the role played by certain 'moments' can play an important role in the restructuring of the rhythms and spatialities of everyday life. For example, a number of chance encounters combined with the collapse of the 'dot-com' bubble in the early 2000s encouraged AJ to settle in Prague permanently, following redundancy. Following this, AJ met his future (now current) business partner who lured him away from taking a post-graduate qualification in film studies to set up what is now the Czech Republic's largest advertising agency:

You know, I came into the office one day, just sitting on my desk was a brand new Macintosh [PC], and I was like, "what?", and he said, "well you're our new creative director", so I was like, "oh man, you got me, all right you got me!"¹³⁶

In addition to understanding the role played by chance encounters in the restructuring of everyday life, it is important not to lose sight of the central role played by the nature of rhythm itself. Whilst the routinisation of everyday life into structured and replicable rhythms and time-space pathways fosters familiarity with a place and a sense of feeling at home, at the same time, such rigid pathways prevent a diversity of everyday practices and a wider engagement with Czech society and culture. Therefore the intensity of these everyday rhythms eventually becomes too much for many individuals, fostering introspection and feelings of claustrophobia. AJ, for example, is now a partner in the Czech Republic's leading advertising agency, has married a Czech woman, speaks fluent Czech and his everyday rhythms have changed

¹³⁶ Interview dated (10/04/05)

accordingly. His life is still highly work orientated, and he often works from nine in the morning to seven-thirty at night, after which he either goes home to his villa in Prague 6, watches TV and relaxes, or he goes to the gym which he does 3 times a week (see Figure 7.2). He occasionally goes for a drink 'in town' after work but only 2 or 3 times a year:

It sounds a little mundane but usually my job is pretty fun so it's more exciting than it sounds...For some reason [my old life] sounds a little more exciting than what I do now, but no, it's not...Settling down was not a bad thing as far as I was concerned.

Indeed AJ's experiences are illustrative of the experiences of a number of interviewees who initially worked for large multinational companies in middle or senior management positions, and then left their multi-national employers to set their own companies. The role played by rhythm in this example is strongly linked to the nature of work but also to the role played by social and place based cultural capital in the governance of everyday practices. In line with these themes, the following section examines my own experiences of everyday life in Prague, focusing again upon the ways in which my everyday rhythms transformed during my stay in the city in order to complement the discussion of AJ's everyday life presented above.

7.2.2. Case Study 2: Self Reflections.

In order to develop the themes raised by the discussion of AJ's everyday rhythms in the previous section, this section will offer some reflections on my own experiences of everyday life in Prague. As outlined in Section 3.2.3, the ethnographic fieldwork conducted in Prague took place over a more truncated timescale than that of AJ's experiences, although similar processes were present and can therefore be used to complement the preceding discussion. The first stay was spent living in Malá Strana, Prague 1, a district located in the centre of the city on the Western bank of the Vltava River, characterised by 19th and early 20th century apartment buildings and a number key tourist sites.

Plate 7.1. View of Malá Strana Looking South from Pražský Hrad (Prague Castle) (Taken by author 09/10/04)



The rationale behind staying in this part of the city was that it was relatively central, had good transport links and had easy access to the city centre for interviews, sightseeing, shopping and a direct tram link to Charles' University where I was based as a visiting researcher for the duration of the fieldwork. Additionally, I had spent time staying in this part of the city during February 2004 so there was a sense of familiarity and nostalgia that drew me back to this part of the city as can be seen from the first field diary entry:

After an interminable time talking to [Eric, my rental agent], I managed to unpack, make a cup of coffee and saunter down to St. Nicholas' Café. Was a regular here when last visited, so it felt as if I was returning home in some sense. Felt well at ease amongst the soft lighting, chilled out music and friendly staff. Interesting that I saw the café as 'home', spent some enjoyable evenings here in February, so it was this sense of nostalgia that drew me back.

It was these feelings of familiarity that governed many of the everyday rhythms during this first substantive stay in the city, revolving primarily around my small studio apartment, the supermarket, sightseeing, conducting interviews¹³⁷ and,

¹³⁷ A map of key sites that constituted my everyday life during the stage can be found overleaf.

as a number of informants noted in the previous chapter, generally trying to be inconspicuous and avoiding situations where the Czech language, and 'Czechiness'¹³⁸ was a necessity. This had the effect of limiting everyday life to several key sites in the city centre (see Figure 7.3. overleaf) which led to introspection and, as in the case of many TNPs, loneliness and increased alcohol consumption. Generally, I woke relatively early in order that a full day could be spent exploring the city and getting a handle on the different spatialities that would be mentioned during interviews, before grabbing lunch from *Tesco* and heading back to the apartment for approximately 4pm. Every two or three days it proved necessary to go food shopping due to not having a car and having to either walk to the supermarket or use public transport which was invariably cramped and not conducive to transporting large amounts of shopping. The majority of the first stay was spent in this fashion, food shopping, exploring and drinking wine in the flat in the evening, as I had no TV and only a couple of English language books to read. The repetitive nature of this period was bearable however, as events during the day broke up the monotony and claustrophobia, as well as visits by friends from the UK and visits to sites outside of Prague.

The second period of fieldwork warrants further attention as it was undertaken over a longer period of time, enabling a more appropriate comparison to the experiences of the research informants. Also during this period I was provided with desk space and institutional support at Charles' University Prague, and this allowed a regular daytime base that fulfilled the same role to that played by work in the lives of the research informants. Also, my second visit corresponds to the experiences and rhythms outlined by AJ (and supported by other informants), consisting as it did of a number of stages. The first stage was more strongly rhythmmed and was based upon prior experiences and the 'familiar', revolving around several key sites in the city, drawing similarities with the practices and rhythms of the first research visit outlined above.

¹³⁸ Interview with Barbara dated 23/10/04



Fig 7.3. Key Everyday Sites of the Author, October 2004.

The second stage (Figure 7.4. overleaf) was marked by a distancing from the familiar rhythms of the early weeks of the visit and was further demarcated by an increasing diversity of practice(s) stemming from a conscious desire to remove myself from the ossified and highly replicable everyday rhythms, practices and spatialities characteristic of the early stages of the stay. Additionally, the role played by increased levels of social and place based cultural capital played a central role in reconfiguring everyday practices and rhythms cannot be ignored, which was again a common feature of the everyday lives of other TNPs interviewed.

Throughout my second stay in Prague I was based in a small flat in Vršovice, Prague 10, a district relatively near to the city centre, but sufficiently removed from the neon-lights of the MNC dominated city centre and the area that was home for the duration of my first research visit. The generalised everyday geographies for the first three weeks of the stay are represented in Figure 7.4 (overleaf), and as can be seen they revolve around several key sites in the city, notably *Charles' University*, *The Globe Café*, *Carrefour* and the consumption spaces of Staré Město and Josefov in the city centre (zone marked 'A' in Fig 7.4). These key sites essentially formed an archipelago of familiar places in which everyday life was practised and the nature of the spaces themselves provided a much needed familiarity and anonymity. Whilst everyday life during this period revolved around working most days at Charles' University, navigating the public transportation system and regular food shopping trips to *Carrefour*, a number of factors contributed to how these repetitive and regular rhythms were broken down. Indeed, all of these spaces provided refuge from the pressures of speaking Czech regularly, as well as limiting the need for encounters where Czech language skills were required in addition to an everyday landscape that was semiotically familiar.

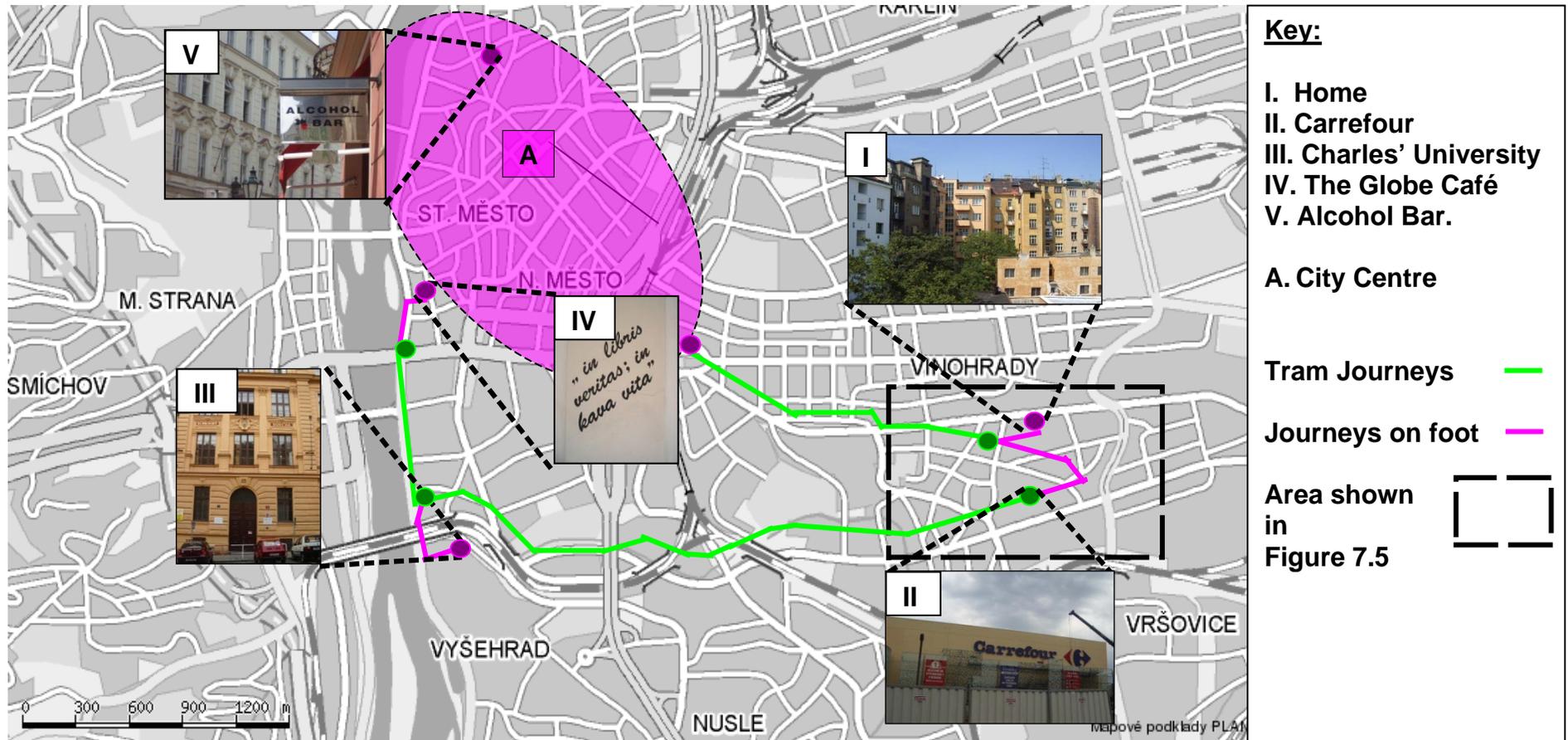


Figure 7.4. Key Everyday Sites of the Author: Stage 1, April 2005.

The relatively low levels of place based cultural capital I possessed served to limit and govern my everyday practices and form a highly replicable and routinised set of time-space pathways. Additionally, the only moments throughout this period that offered a change from what was becoming the 'normal' routine came in the form of meeting informants to conduct interviews and undertaking participant observation in key expatriate consumption spaces in the city centre.

After three weeks or so, the routine of going to the University to work, food shopping in the local supermarket and unwinding in the Globe Café and trips into the city centre for interviews and participant observation became monotonous and claustrophobic, and these highly replicable rhythms began to break down. The anonymity and familiarity craved initially began to be replaced by a desire to escape these intense rhythms and to detach oneself from the rather tedious and repetitive network of places that was becoming the centre of my everyday life. It is interesting to note that the change in everyday practices was rather sudden and was not necessarily a conscious decision on the part of the author. It merely seemed as though something were lacking, and the experiences of everyday life were unsatisfying and lacked both richness and authenticity, and the revelatory nature of these moments encouraged a diversification of everyday practices. Figure 7.5. (overleaf) graphically demonstrates the ways in which my everyday practices rearticulated, placing more emphasis on the local neighbourhood in which I lived. As can be seen, my everyday consumption practices now centred around local shops, bars and restaurants, aided by an improvement in my Czech language skills, and the building of casual social relationships with the owners and staff of these enterprises.

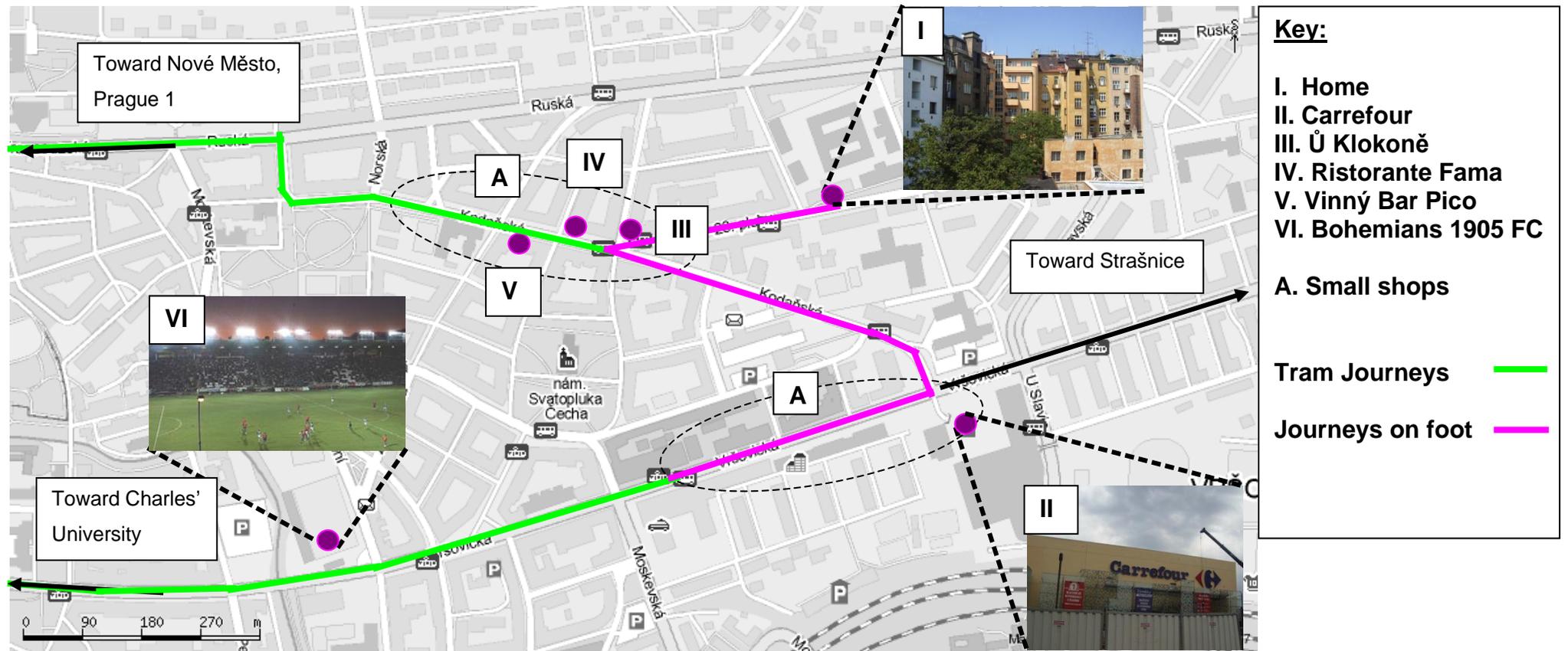


Fig 7.5. Everyday Map of the Author: Stage 2, May 2005.

The gradual engagement with the Czech language enabled me to shop in local *potraviny* (grocery stores), *řeznictví* (butchers), *pekařství* (bakeries) and *ovoce-zelenina* (fruit and vegetable shops), rather than the familiar and placeless surroundings of *Carrefour*. At the same time, my social practices became less centred around the high-end wine and cocktail bars of the city centre (that I scripted as ‘work’), and instead revolved around three neighbourhood venues – Vinný Bar Pico, Ů Klokoně (Plate 7.1) and Ristorante Fama. This enabled me to begin to form a sense of place and home based on an engagement with ‘authenticity’ rather than seeking solace in the familiarity of past experiences.

Plate 7.2. Interior view of Ů Klokoně, Prague 10. (Photograph taken by author 15/05/05).



The rearticulation of consumption and social practices enabled a more diversified and less routinised set of everyday rhythms, the key to which was forming a sense of place and a more detailed mental map of the city. Interestingly during this second phase, the role of the workplace diminished as I no longer found the need to inhabit a particular and familiar space for long periods of the day, preferring instead to work from home, explore the city and places outside of Prague, and to break away from the claustrophobic rhythms characterising the early stages of the stay.

These transformations in everyday life, and importantly in this case, the breaking down of intense and claustrophobic rhythms, bear certain similarities with the example of AJ presented above (and the majority of the research informants) and these similarities warrant further discussion and interrogation. The numerous constraints placed upon the rhythms of everyday life serve to promote a claustrophobia and hyper-intensity which contributes to the formation of a series of realisatory moments that in turn instigate a radical refiguring of everyday rhythms as well as practices¹³⁹. In the case of AJ, demonstrated graphically in Figures 7.1. and 7.2, the centrality of work to the everyday life of a corporate TNP can clearly be seen, even in the lengthy visits to bars after work which, I argue, still constitute 'work' as such practices inevitably lead to mixing with other TNPs and endless rounds of 'talking shop'. As time progressed for AJ, a series of key moments removed him from this lifestyle: meeting his wife, meeting his business partner and a realisation that he needed to 'settle down', domesticate, and somehow remove himself from the hyper-social milieu that dominated his early years in Prague.

These key moments are often interlinked with changes in social practices, shopping habits and language skills, which act as coping strategies and tactics before developing into a markedly different everyday life, with more variable and often less constraining rhythms. Examples of such behaviour would take the form of visiting new places, places 'off the beaten track' and engaging in a more differentiated set of practices, serving to engage with a way of life that promotes new opportunities, concomitant with the changes in social network forms, outlined in the previous chapter. For example, visiting bars and restaurants geared towards Czech residents rather than TNPs, going horse riding in the Bohemian countryside¹⁴⁰ and living in areas of the city removed from the enclaved and semiotically gated spaces inhabited by many corporate TNPs (see Chapter 5), offers an individual a life that is perceived as more 'real', more 'genuine' and more 'authentic'¹⁴¹. The critical periods and moments of realisation leading - in this instance - to a radical reconfiguring of everyday practices have been discussed by Lefebvre (2002: 219) as being times when:

¹³⁹ Such a pattern was common amongst many of the research informants.

¹⁴⁰ As discussed by Dick, interview dated 19/04/05.

¹⁴¹ Chapter 5 discussed in further detail the ways in which living in 'gated' communities can foster alienation and introspection, whilst Chapter 6 focused upon the alienating qualities possessed by certain forms of social network.

...anything problematic has more importance than acquired stability, when conjuncture dismantles structure, when strategy takes the ascendancy and when the need to choose becomes apparent and marks a moment of bifurcation in the process of social becoming...

This process of social becoming outlined by Lefebvre is key, I argue, to our conceptualisation of everyday practices, and the complex geographies of mundane rhythms that often lead to critical moments whereby social lives become over-rhythmed, replicable and locked into an existence that becomes unrewarding. However, whilst the importance of the culture-economy of work and production to everyday experience cannot be denied, the everyday consumption practices of individuals and groups also provide useful information about how everyday lives are structured, rhythmmed and potentially exclusionary in a variety of ways.

The links between the time-space rhythms of an individual's everyday life and the production of exclusionary spaces and exclusionary practices have not been theorised or commented upon within the literature. The production of exclusionary spaces has been covered widely within human geography, particularly with reference to semiotically or physically gated residential spaces (Davis 1998a, 1998b; Lees 2000; Manzi and Smith-Bowers 2005; Smith 1991; Sorkin 1992). However, the everyday space-time rhythms of individuals often serve to govern the specific places that they spend time in and (re)produce. The daily time pressures experienced by corporate professionals contribute in many cases to a lack of engagement with certain spaces and practices within the city that are constructed variously as being Other, 'alien', or 'local', by not allowing enough time to learn Czech or make a fuller engagement with Czech society or culture. Indeed, in such situations many of the informants sought solace in the familiar, in spaces that required little effort to negotiate, blend into or engage with. Such spaces inevitably were ones in which little face-to-face interaction with non-English speakers would occur, such as bars and restaurants with large TNP clienteles (*Bugsy's, Alcohol Bar, Radost, Kampa Park, Legends Sports Bar* etc) or supermarkets that offered a familiar semiotic environment to those in the West. The narrowing of everyday practices and rhythms by the pressures of

work formed in many cases a highly replicable space-time pathway through the city that offered very little opportunity for trying new things or visiting new spaces, concentrating everyday practices in exclusionary, gated spaces. What is particularly interesting however, is how this situation developed and changed over time. Following the discussion in Chapter 6 regarding the temporalities of TNP social practices and networks, adopting a broadly rhythm-analytical approach in the study of everyday practices and geographies, provides useful insights into the fluidity of different forms of practice and the processes underlying their reconfiguring. The next section focuses upon the consumption and retail practices of expatriates within Prague, paying specific attention once more to how such practices can be thought of as a skein of tactics, strategies and ways of 'making do'.

7.3. COPING WITH CONSUMPTION: THE 'BANAL' PRACTICES OF RETAIL.

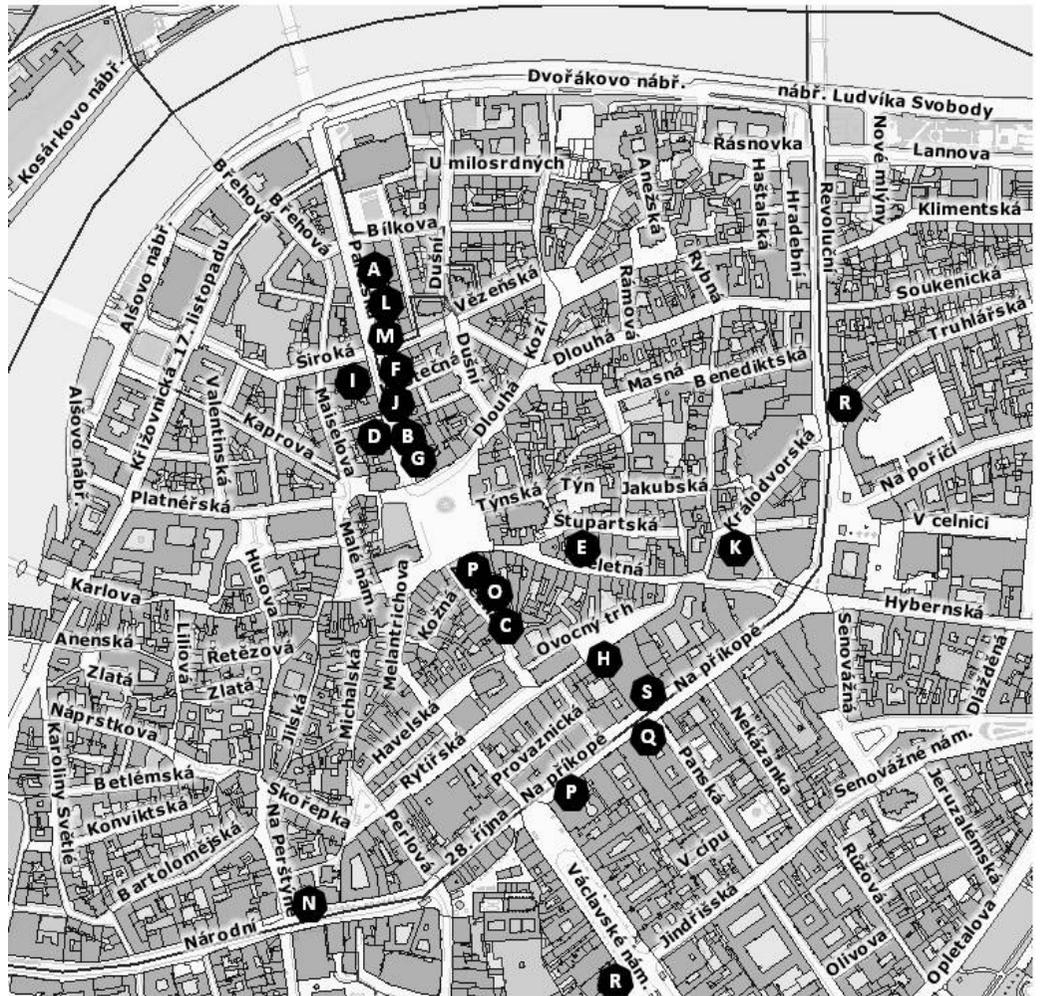
Whilst the previous section was concerned with the uneasy limits placed upon everyday life by cultures of work and the simultaneous lack of place-based cultural capital (see Chapters 5 and 6), this section is concerned with the everyday consumption practices of TNPs, which contribute to the everyday rhythms discussed in the previous section. These practices are, I argue, exclusionary and are bound up with the culture-economy of an individual's work, which serves, in part, to govern these practices. Within post-socialist cities, the significant political-economic changes allied to the transition(s) from state socialism have led to a widespread (re)commodification of urban space, as discussed in Chapter 4. This transformation has encouraged spatial differentiation by creating landscapes of conspicuous consumption, combining increased levels of choice with a heightened level of difference, often based on the ability to pay. Whilst increasing levels of choice cannot be seen as being socially problematic *per se*, choice inevitably brings with it higher levels of social exclusion and differentiation whereby only certain groups of individuals are able to access certain spaces. In post-socialist cities, for example, there has been a significant increase in the number of out-of-town retail centres (Stenning 2004: 97) as well as a marked increase in the number of international chain retailers and Western brand names (see Chapter 4). Coupled with the rise of the international brand name has been a dramatic opening up of post-socialist urban areas to international forms of consumption and cultural identities. What

follows then is a discussion of retail and consumption practices and how transnational professionals affect (and are affected by) narratives of exclusion through everyday consumption practices.

7.3.1. Sparkly suits and fall-apart shoes: The everyday geographies of apparel retail.

The consumption practices of TNPs are, much like the social networks discussed in Chapter 6, governed by the possession of different forms of capital. Whilst transnational professionals are possessors of relatively high levels of financial capital (relative to local Czech professionals that is¹⁴²) they have relatively low levels of place specific cultural and social capital compared to these same local professionals. For example, the discussion in Chapter 6 demonstrated how the lack of place specific cultural and social capital was central to the formation of social networks and what could broadly be termed 'lifestyle' and 'taste'. In terms of consumption practices, such factors again determine the places in which individuals and groups engage in such practices, and influence the (re)production of these spaces. The argument presented in this section is that during different stages of a TNP's stay, everyday consumption practices such as shopping for food and clothes are governed by the possession of various forms of capital, not merely reducible to financial or material wealth. For example, when an individual's levels of financial capital are high, and levels of cultural, social and knowledge capital are low, they will tend to shop in relatively expensive international chain and brand stores (see Figure 7.6 overleaf). The rationale behind this is that there is very little requirement in such internationally homogenous spaces to use the local language or understand local customs and norms, often sacrificing value for money for the ease and familiarity in such spaces. However, as time progresses

¹⁴² This claim is based upon informal conversations with both TNPs and Czechs working within the producer service sector. However, it was suggested in these discussions that recent political-economic developments relating to the Czech Republic joining the European Union, mean that such inequalities will become less marked.



- A. CK
- B. Chez Parisienne
- C. Coccinelle
- D. Francesco Biasia
- E. Guess
- F. Hermes
- G. Hugo Boss
- H. Kookai
- I. Louis Vuitton
- J. Salvatore Ferragamo
- K. Versace
- L. Alberto Guardiani
- M. Francesca Lecca
- N. Pietro Filippi
- O. Sergio Rossi
- P. Benetton
- Q. Au Pays de Mimis
- R. Marks and Spencer
- S. Next

Figure 7.6. Premium Brand Fashion Stores and Boutiques, Prague 1

and levels of social and cultural capital increase (often via the fixing mechanisms of social networks discussed in the previous chapter), individuals begin to diversify some of their shopping habits as they become more confident linguistically and gain localised knowledge about where the best shops are to buy everyday items.

Shopping for clothes, for example, was one of the major complaints amongst the research informants, as such commodities were seen as being overpriced, of poor quality and often not catering to the tastes of the individuals interviewed. As Barry¹⁴³, a real estate lawyer opined:

...if you go and look in *Next* at how much a pair of jeans are, because they have the English prices still on them, I haven't been in for a while but a pair of jeans that would cost £19.99 in England, are often £34.99, or the equivalent here. With the interest rate fluctuations, probably about [£]40 now.

Such heightened differentials in pricing compared to the UK are found throughout most of the international clothing stores in the city. *Marks and Spencer*, for example, has a number of stores in Prague and the Czech Republic and is regarded, unlike in the UK, as being a premium brand, rather than in the UK where Barry believes they are seen as, "a safe [bet, where] you get your boxer shorts from", type of store. Indeed, the overpricing at *Marks and Spencer* was mentioned by a significant number of the research informants. As Barbara, a British commercial lawyer pointed out:

Marks [and Spencer] is just atrocious because it's another third or half on top of what it [costs] in Britain, so you feel a bit stupid buying anything from there.

These sentiments are echoed by Dick¹⁴⁴, a telecommunications consultant and University lecturer:

You go to *Marks and Spencer* and you'll see a respectable packet of shirts in Marks at £20 UK, there'll be a label over the top saying 990 crowns Czech. Well that's exactly the same price. But in the UK Mr Average gets paid £1000 a month or £1500 a

¹⁴³ Interview dated 12/10/04

¹⁴⁴ Interview dated 19/04/05

month, but here he gets paid £300 a month so relatively speaking it's quite expensive.

This extract from the interview with Dick provides a more nuanced view of the situation in the major stores in Prague, because whilst real wages are increasing in the Czech Republic, many people are effectively priced out of shopping in chain stores such as Marks and Spencer. However, the cost of living is lower in other areas such as public transport, fuel and even housing¹⁴⁵, as many rents are still municipally regulated, an advantage that few TNPs enjoy. There is however a polarisation of clothing retail in the city, as many Czechs shop in 'Second-hand' shops and discount stores that sell end of line clothing several years out of date that is cheap, though not necessarily perceived as being 'tasteful' by the informants. The presence of such shops is a clear demonstration of the polarisation of income levels within the city, as they provide cheap clothes of reasonable quality to those who cannot afford to shop (and are therefore excluded) from the re- and newly-commodified, 'Westernised' retail spaces of the CBD¹⁴⁶. Additionally, they are rarely (if ever) found occupying prime rental sites on busy streets, but are often tucked away on back streets, neatly Othered and kept out of sight as Dick¹⁴⁷ discussed:

Consequently around Prague you tend to get, just walk away from the main streets and you'll find places that call themselves 'second-hand' shops, but they're not actually second-hand shops, some are, but [most sell] chain store rejects or end of runs.

TNPs hardly ever use such stores primarily due to the fact that the styles are often a few years out of date or their language skills are not competent enough to negotiate in any depth with the shop staff. However, the high-order end of the clothing market, consisting of brands such as *Gucci*, *Armani*, *Versace*, *Hugo Boss* and *Calvin Klein* are almost solely aimed at materially wealthy TNPs, CEOs and wealthy tourists. The retail outlets for this sector are almost solely located along one street, Pařížská, in Prague 1, which was subject to the

¹⁴⁵ However, recent price increases in public transportation and the full deregulation of the property market mean that the cost of living is likely to rise significantly.

¹⁴⁶ A recent online article (Willoughby 2007) suggested that the number of these Secondhand [sic] clothes stores, or *sekáč*, is in fact in decline due to increased competition from global chains and global brands. However, despite such a compelling, if anecdotal, argument, there are still over 60 such stores in the city [<http://www.zlatestranky.cz/>].

¹⁴⁷ Interview dated 19/04/05

processes of privatisation and restitution outlined in Chapter 4 and further developed in Chapter 5. As a result of these transformational processes, Pařížská has become subject to extreme levels of commodification and is frequented primarily by wealthy TNPs buying expensive coffee, or tourists hunting for that exclusive *Gucci* handbag in the mistaken belief that it would be cheaper to buy in Prague than in London. The street also houses some of the wealthiest individuals in Prague, who live above the boutiques in spacious baroque apartments. Barbara¹⁴⁸ commented on the exclusionary nature of such space and how alien it seemed:

...not a single Czech ever walks [down] there. It's just strange actually walking up a street like that and seeing Gucci and Hermes and...apparently there are 10,000 really, really rich Czechs in this country. Maybe they go there sometimes...

In addition to the high prices in almost all of the major clothing retail outlets frequented by informants, they all bemoaned the very same shops for not giving good value for money and providing poor quality goods. A number of the male interviewees could not find a good work suit for a reasonable price. Barry¹⁴⁹ for example, noted that the only place you could buy a good suit in Prague was in *Hugo Boss*, but he wasn't prepared to pay £450 for the privilege. He was also not keen on buying a cheap suit from *Sunset Suits* (cheap tailors as, "I'm not into going out in sparkly grey suits for work"). Indeed, the lack of certain forms of capital possessed by many TNPs means that they are limited to shopping in international chain stores, paying a premium price for the privilege as Wayne¹⁵⁰ expands upon:

I hate shopping here for clothes, the clothes here are just [blows raspberry]. It's crap you know. It's getting a little bit better but if I want quality clothes then. Prices, you just get angry! I walk into a shop and, 'oh, that looks pretty good', but the price tag on it just, 'what makes you think you can charge so much money for these clothes?!'.

¹⁴⁸ Interview dated 23/10/04

¹⁴⁹ Interview dated 12/10/04

¹⁵⁰ Interview dated 01/05/05

Whilst many of the male interviewees are unimpressed by the low quality and high price of items such as suits and shirts, Barbara¹⁵¹ has a similar problem with buying 'decent' work shoes:

I can't find a decent pair of shoes in the whole Czech Republic. I mean Baťa¹⁵² is alright, but they wear out on me after about...that all wears out [sic].

What is particularly interesting in terms of the everyday consumption practices taking place within these retail spaces is that the path dependent nature of retail experiences in the 'West' drives the practices of many individuals in Prague. Despite the high prices and relatively low quality, TNPs do generally spend the extra money as the local Czech retailers often sell goods perceived as being of a lower quality than chain stores such as *Next*. Therefore, when an individual's non-financial capital reaches a higher level during their stay, they still prefer to shop in international chain stores, or engage in transnational consumption practices, which can be scripted as coping strategies and tactics (de Certeau 1984) and ways of 'getting by' materially. The relative financial wealth of many TNPs and the translocal nature of their lives – having friends and family 'back home' – means that many are able to evade the constraints discussed above by performing most of their significant clothes purchasing overseas, combining visits to see friends and relatives with tactically inflected clothing purchases.

Such practices are readily possible in mainland Europe where fuel prices are relatively low, and the Czech Republic's accession to the EU has enabled more flexible international travel. Barbara, for example, says that as she cannot find appropriate shoes or work clothes in Prague, she drives at the weekend to Munich, Dresden or Vienna to buy clothes. Will¹⁵³, an American real estate agent, prefers to purchase several top quality *Ralph Lauren* suits for \$300 each when he visits the USA rather than paying \$300 in Prague for a 'crap suit'. Likewise Jack¹⁵⁴, an American school teacher, and his partner Pavel do most of their shopping in London:

My partner buys clothing in London. It's cheaper there to buy a pair of jeans and a pair of shoes than

¹⁵¹ Interview dated 23/10/04

¹⁵² Baťa is a Czech owned, internationally recognised clothing and apparel producer.

¹⁵³ Interview dated 25/10/04

¹⁵⁴ Interview dated 16/04/05

it is here. Even though Baťa produces the shoes in this country, just outside [Prague] there's a huge factory. So why are shoes cheaper in London of all places than they are here?

Jack also draws out the similarities with the regular trips to Germany he used to make under communism, to stock up on groceries, fresh vegetables and meat:

...there were shortages and we'd go out once a month and do our big shop...drive out to Germany to go grocery shopping [which] was a 3 hour ordeal on small roads and just, the roads were crap, there were potholes. So...it was just a massive adventure. There were people at the embassy who [sic] did it every week.

Perhaps the most extreme example of these transnational consumption patterns can be taken from the example of Susan¹⁵⁵, a regional human resources director. She doesn't buy many clothes in Prague and prefers to combine her annual Christmas visit to Melbourne, Australia with a substantial bout of sale shopping:

...we tend to either, we go back to Australia every Christmas so of course there's the Christmas sales there, so I'll often buy a couple of suits there or, you know, some jeans...We don't do much...clothes shopping, or shoe shopping in the Czech shops. We tend to do most of it when we're away or in places like H & M.

These transnational consumption practices form an important set of ways of making do for transnational professionals overseas, as they provide a supplementary reason for returning to their home country, or act as a good excuse for an 'adventure' in Germany or Austria, providing a mechanism through which to experience different places and cultures. It must be said, however, that travelling to London, New York, Boston or Melbourne for clothes shopping is an avenue not open to all but the wealthiest Czechs, and most Czechs become locked in to either having to pay for vastly over-priced chain store goods or cheap and poor quality goods from 'secondhand' shops. Additionally, the rise in the influence of Western owned hypermarkets such as *Carrefour* and *Tesco* has led to an undercutting of high street clothes prices

¹⁵⁵ Interview dated 21/05/05

due to their enormous purchasing power (Hrobsky 2003), providing cheap, poorer quality clothing for lower earners. Rather interestingly in the case of clothing consumption practices, disposable income is the driving factor, as even when individuals become more knowledgeable about the local retail landscape in Prague, they prefer to suffer the high prices or shop abroad, rather than purchase goods from second-hand shops or from perceived poorer quality Czech retailers. Whilst clothes shopping becomes a less 'everyday' practice than it would be in the UK, food and grocery shopping is still very much an everyday practice, and is dependent upon the possession of a variety of different forms of capital. The next section will discuss the everyday geographies of food retail in the city of Prague, and serve to re-engage with the multiple forms of capital approach outlined in the introduction to this chapter.

7.3.2. Prosím vás, kilo jablek? [Can I have a kilo of apples please?] The complex geographies of food shopping.

The widespread (re)commodification of the post-socialist retail landscape has been well documented within wider discussions of urban change in ECE (Smith 2007; Smith and Stenning 2006; Stenning 2003, 2004, 2005). The rise of the international chain store and out-of-town shopping centre is concomitant with the privatisation of property and the internationalisation of real estate markets, but perhaps unusually there are still a large number of small shops and informal 'kiosk' outlets in residential areas. Such small enterprises are possible partly due to high levels of rent regulation in certain peripheral and luminal spaces, as well as being historically determined throughout the state socialist period, where out-of-town shopping centres were not a central part of socialist planning or cultural ideology. This spatially differentiated consumption landscape present some 15 years after the fall of state socialism, has led to a diversification of everyday consumption practices as individuals undertake the bulk of their food shopping in hypermarkets, often using small, local shops to supplement the weekly shop with higher quality produce. In Prague and the Czech Republic, for example, many of the new hypermarkets are 'Western' companies such as *Tesco*, *Lidl*, *Carrefour*, *Delvita* and *Kaufland*¹⁵⁶, often located as anchor stores

¹⁵⁶ Delvita is a Belgian owned supermarket chain, whilst Kaufland is a German owned operation, present throughout ECE and Eastern Europe.

in major retail developments (Wrigley 2000). The rise of the out-of-town retail phenomenon has encouraged the use of cars, and when combined with rising public transportation costs, has therefore excluded individuals with low levels of mobility, who are limited to frequenting local grocery stores and Vietnamese owned fruit and vegetable stands. The following discussion will focus not upon the everyday food consumption practices of Czech residents as this has been achieved elsewhere (e.g. Hraba et al 2001), but on those of the TNP community, serving to demonstrate both how these everyday practices are producing a differentiated and exclusionary consumption landscape, and how individual's everyday practices are *governed by* a variety of exclusions. Such exclusions, conditioned by low levels of various forms of capital, give rise to a variety of different coping strategies. The role of different forms of capital will again be examined, showing how the possession and accumulation of, and struggle over, different forms of non-financial capital can serve to breakdown particular forms of everyday governance.

The role of supermarkets in the everyday lives of TNPs is complex, but nonetheless central. The convenience of being able to buy everything under the one roof, not needing to possess a fluency in the Czech language and being in 'familiar' semiotic surroundings appeal to many of the individuals interviewed. The busy and highly rhythmical nature of many people's everyday lives means that undertaking a large weekly shop by car is the most convenient and least time consuming way of shopping. For example, Mike¹⁵⁷ has a weekly food shopping expedition which he combines with his weekly commute from Leeds to Prague:

...I arrive at the airport on [a] Sunday night, generally have my car parked up there, go straight to *Tesco*, do a big shop and then take it home. In that sense you can do that whereas before [under communism] it would have been very difficult.

Unlike many TNPs, Mike adopts this strategy as it is convenient, as supposed to his activities being constrained or restricted by a lack of cultural capital as he can speak fluent Czech. Susan,¹⁵⁸ however, talked candidly of her experiences

¹⁵⁷ Interview dated 09/05/05

¹⁵⁸ Interview dated 21/05/05

shopping and why she tended to drive to the *Tesco* hypermarket at Zličín, on the Western edge of Prague. She valued the anonymity and familiarity that the supermarket offered her, as well as the wide ranging choice of goods and the reasonable pricing:

...the price was pretty good, the range was enormous and it avoided having to go into the little local shops where the lady is behind the counter and you have to know what you're looking for and you have to know how to say it correctly. You have to be able to know all of your numbers and all of that. It was very comforting to be able to walk anonymously around the supermarket and spend 5 minutes with your little dictionary if you needed to, to translate the labels et cetera.

This quote highlights the importance of place specific cultural capital in constructing a narrative of everyday consumption practices. Instead of being governed by the ability to pay for goods as some neo-classical discourses state, consumption practices can be understood as being governed by forms of capital other than the possession of purely financial capital. For example, individuals who know how to ask for a kilo of apples in Czech, who are competent in the cultural norms and mores of Czech retail culture are less likely to shop in supermarkets as they have the suitable levels of capital to enable a diversification of consumption practices. Susan, for example, recently moved offices into a new block on Karlovo Náměstí¹⁵⁹, Prague 1 and she now does most of her shopping in *Delvita* which is located in the basement of her building. This has also affected her shopping rhythms, because instead of doing one large family shop every week or two, she purchases smaller amounts of food every 2 or 3 days. Whilst being fluent in Czech, AJ¹⁶⁰, the advertising consultant, continues to do the bulk of his grocery shopping at his local *Delvita* as he sees it as being:

...very international, very well managed, you can see every month they're adding some new feature or service and I really welcome that. But it's still not at the level I want it to be...It's not like going to Sainsbury's for sure...

¹⁵⁹ Charles' Square.

¹⁶⁰ Interview dated 10/04/05

Whilst many transnational professionals use supermarkets as their prime venue for food shopping due to the familiar semiotics, convenience of having everything under one roof, not having to speak Czech, the high levels of choice and reasonable prices, many individuals are disenchanted by certain aspects, notably the quality of fresh produce. Almost all of the research informants explained how they supplemented their weekly shop with more local, higher quality products sourced from small *zelinářství* [green grocers] which were often just as cheap, or cheaper, as in the supermarkets. Such small shops appear to have survived the rapid transformations in the retail climate that favour international corporations by providing good quality produce, convenient locations and competitive pricing. As Wayne, the American head-hunter pointed out:

You can't go to the supermarkets for your veg[etables], you have to go to the Vietnamese because they've got a lock on the market. They get some quality stuff...

These observations have also been made by Barry¹⁶¹, though he seems somewhat surprised that independent stores have higher quality produce:

Rather oddly, some of the outdoor markets actually have better produce than the indoor ones. If you can be bothered to do your main shopping in a supermarket and then walk to somewhere else to buy fresh groceries. That's the big difference between here and the UK.

AJ also makes a similar comment:

I should also mention that when I'm buying vegetables I would rather go to a fruit stand than to Delvita because at the fruit stands they have much better fruit, vegetables as well.

Such practices are interesting because again they are governed by an ability to speak Czech, as well as a certain amount of local knowledge in knowing where to buy the best value products. In constantly shopping at supermarkets, individuals are reinforcing the dominance of supermarkets at the expense of small retailers who, ironically, often stock the best quality fresh produce. There

¹⁶¹ Interview dated 12/10/04

are however a variety of reasons external to linguistic ability that often serve to exclude foreigners from shopping locally, and again these can only be overcome via a knowledge of Czech culture and increased levels of social and place based cultural capital. The primary reasons (aside from language) that often discourage individuals from shopping in the local *potravina* [corner shop], *samoobsluha* [self-service grocery store] or *řeznictví* [butcher's shop] stem from a perceived lack of service quality, what could be termed the 'panoptican gaze' of small shop owners and the complex politics of queuing. These practices are seen to stem from the state socialist era, where service quality was not important, as shops were state owned and not in direct competition and queuing was widespread due to the regular shortages of goods. For example Lynne¹⁶², the unemployed wife of an Australian executive outlined how the panoptican gaze of shop owners discouraged her from shopping in certain places:

...we feel like we get stalked every time we walk into a shop, the security...is so much higher than it was at home. I understand they've got lots of petty crime and everything but, but we feel like their focus is, you know, 'we can't let anyone steal anything from the shop', other than, 'maybe someone may want to buy something!' The focus is wrong, and so now we're just on the defensive whenever we walk in to a shop, we're just waiting for someone to treat us badly so we can storm out and make a big scene...It's ridiculous.

Wayne¹⁶³, in his now familiar and candid turn of phrase commented on the more general lack of service quality in very straightforward terms:

Also another thing that I've always hated here is the quality of service. You know. It's crap. I mean it is total crap. These people [shop owners] first of all act as though they're doing *you* a favour. The Czechs have this thing, they like to hold power over each other...They get into these like power trips and really just laud it over each other and try to make each other feel small. Then they try to do that to me, and then. I have problems with authority as it is yeah, but when somebody does that to me man, I just flip out...

¹⁶² Interview dated 07/04/05

¹⁶³ Interview dated 01/05/05

Indeed such inhospitable shop-keeping combined with the uninterested shrug of the shoulders described anecdotally as the 'indifferent clerk shrug', does very little to discourage people from shopping in the main hypermarkets, and when combined with an TNP's relatively low levels of linguistic capital does little to promote any sense of sympathy toward the small Czech shopkeeper. Some TNPs believe that this inhospitable behaviour is to do with the fact that they are seen as rich, foreign and privileged, and whilst an English TNP in a smart suit, employing sign language and broken Czech is unlikely to illicit a helpful attitude in certain retail outlets, the perceived unfriendliness is far from nationalistic in nature. In fact, drawing from my own experiences of grocery shopping in Vršovice, Prague 10, whilst many shop owners seem unfriendly at first, a small effort at speaking Czech, being polite and visiting more than once, does tend to engender a more friendly and helpful set of responses. For example, the tactics employed by Tim¹⁶⁴, a conference organiser from the USA, seems to be working but has the potential to be unsustainable:

Any language is not an issue, you learn to speak with your hands, and if you show people a bit of respect and make an attempt at their language, they're generally flattered and go out of their way [to help]...Pointing and gesturing will get you most things you need...

Tim also offered an explanation as to why vendors were often more pleasant and helpful if you were a regular customer:

Here...you expect that every transaction is the one and only, it's not seen as a continuum. When you understand that, once you show up for the second or third time then you get treated differently because they see you as a continuum and not just a one off.

This is particularly interesting as many individuals get discouraged by one negative experience and revert to shopping in *Tesco* or *Carrefour*. Therefore, a greater understanding of how Czech consumer culture works, as well as some basic language skills enable a much more diverse everyday shopping experience. In addition to the perception of poor service being the norm, Jack¹⁶⁵, the school teacher, believes that there is, "...a lot of intolerance about

¹⁶⁴ Interview dated 27/05/05

¹⁶⁵ Interview dated 16/04/05

the culture”, amongst the TNP community, and talks of the ‘old lady phenomenon’, which has a clear historical trajectory back to the days of state socialism:

If you go to the pharmacy and wait in line, the old lady will come from the back, go right in front of you, push you out of the way and walk in front of you. You think, ‘what’s going on here?’ but, under communism, what these women would do is go to 6 or 7 different shops and they would see the line in each one, they would go up to you who was the last person in line and say, ‘I’m behind you’. Then I would come in afterwards, she’s then gone round and done this in a few shops. She hedges her bets and thinks that the pharmacy will have the shortest line. She sits at the back with a lot of other old ladies and has a great time chatting, sitting down, while you and I are standing. As soon as you go up [to the front of the queue] she sees that, she goes to the front of the line, it’s her place in line. Of course if I don’t speak the language I don’t know that, and I just see her as a rude old lady that’s pushing her way in front of me and I argue with her, she looks at me thinking, ‘who is this idiot he doesn’t know what he’s doing, I have this place in line’, you can’t communicate.

This phenomenon is indicative of both the historical development of place specific consumption practices as well as demonstrating once more the need for high levels of place based cultural capital. The possession of such capital imbues an individual with a sense of tolerance and an understanding of how everyday life ‘works’, and while such micro-politics of queuing are seemingly alien, they need to be engaged with and understood in order to facilitate a less stressful everyday life.

7.3.3. Practicing consumption: Strategies, tactics and ‘making do’.

The discussion above has touched on some of the problems and constraints that individuals experience shopping in both supermarkets and small, independent shops. Indeed, the discussion has demonstrated how everyday consumption practices can be *both* exclusionary in nature, as well as being *governed by* levels of multiple forms of capital, which in turn produces a differentiated and exclusionary consumption landscape. Therefore, the concept

of exclusion in this instance is a dual and two-way phenomenon, reliant on the possession of different forms of capital, as outlined in Chapter 6, that serve to enable and constrain various everyday practices. In addition to this duality, TNPs have developed a number of everyday ways of making do that help alleviate, at least in part, some of the feelings of insecurity and alienation that local and independently owned consumption spaces serve to promulgate.

The first and most obvious coping strategy has been explicit throughout the above discussion, is that individuals who are afraid of engaging with local cultural practices and the Czech language, simply choose to shop in places where knowledge of neither is a necessity. This inevitably entails visiting chain stores for clothes shopping and hypermarkets for food and grocery shopping. In terms of food shopping, whilst people choose to shop in hypermarkets out of familiarity and fear of the encounter, they often have much to gain in terms of quality and value for money by shopping locally in smaller, independent retailers. Quite often however, the easiest form of coping is to retreat to the familiar spaces and semiotics of the mall and supermarket, rather than attempting to learn some simple Czech phrases, or persevering with more advanced cultural engagements. Such a retreat constrains some of the everyday rhythms, formalising and routinising them in such a way that any enjoyment of discovery or accomplishment is often lost and processes of cross-cultural engagement are made even more challenging. Aside from the common tactic of retreat, some people have developed more nuanced and original ways of coping with consumption. These practices tend to take the form of either a 'retreat' or an 'engagement', or a dialectical synthesis of the two, which in turn serve to be constituent elements of a variety of tactical and strategic approaches, which again should be conceptualised dialectically.

The strategy of retreat in its most extreme form was exemplified in an interview with Jack, the secondary school teacher, who has a lot of contact with embassy officials and corporate TNPs via his role as a teacher in a private school. A significant proportion of the parents of his students, for example, live in the TNP of Malá Šarka in Prague 6. While a further discussion of this gated community,

or 'expat bubble'¹⁶⁶, was presented in Chapter 5, it is worth reasserting here that living in such 'community' serves to propagate an enhanced level of alienation amongst its residents. Some TNPs he has contact with use:

...the British embassy...for years they had this huge commissary where you could buy all your British biscuits, and, you know, everything you ever could possibly want...The American embassy still has a commissary here...so they can buy their own food in their embassy¹⁶⁷.

Such practices stem not only from heightened feelings of alienation and fear, but from issues of taste. Jack believes that many TNPs have highly specific brand based tastes when it comes to buying certain products such as toilet paper, detergent and biscuits, but such tastes he believes can easily be catered for as long as there is a willingness to adapt to local brands which are often not much different, and indeed often owned by the same company. In addition to the purchasing of specific brands from the embassies, it is commonplace for parents to purchase food from the school cafeteria:

There are people at our school, parents, who buy their groceries from our school. They will go to our school cafeteria and buy all of their bread for the week, in our school cafeteria rather than go to a Czech grocery store. It just boggles my mind. The cost in our cafeteria is easily 3 to 4 times what you'd pay in the grocery store. They come and they're putting Czech *rohlíky* [finger rolls] into their bags, and it just boggles my mind that they would do this.

Such a 'coping' strategy is clear evidence of the difficulties that being in a foreign place, surrounded by an unfamiliar culture and an unknown language can have upon these supposedly 'hyper-mobile' individuals. There is no more stunning an indictment of the fallacy of the 'Masters of the Universe' thesis, though it is also a clear demonstration of how elitist and, at the same time, vulnerable, certain individuals are when surrounded by the unfamiliar. Such examples are, of course, at the extreme end of the spectrum of practices of retreat, though they raise the question of just how insular TNP's everyday lives

¹⁶⁶ Interview with Susan dated 21/05/05

¹⁶⁷ Interview with Jack dated 16/04/05

must be: constantly afraid and immensely constrained by their cultural and linguistic insecurities.

There are two other coping strategies that are evident from the experiences of research informants. The first is the value of personal social networks in circulating knowledge, providing advice and 'helping each other out'. For example, Susan's friendship network used to communicate between themselves when they found a new product in a supermarket, buy up a large supply of the same product and then distribute it amongst themselves, in a fashion reminiscent of the shortage economies of State Socialism:

We would all notify each other when we found something, as in, "oh my God they've got coconut milk in *Tesco*, quick we're gonna [sic] have Thai green curries", you know. We used to ring round and use e-mail, "hey, I'm just about to go to *Tesco* and I know they've got coconut milk, who wants some?" I'd come back with 22 cans of coconut milk for, distribute them like wartime rations.

Such a coping strategy is much more sustainable as it serves to pool a group's knowledge about the local shops and supermarkets, significantly broadening and increasing an individual's local knowledge, through the conversion of social capital into place based cultural capital. Another key coping strategy in much the same vein, is using the discussion forums on web-sites set up specifically for TNPs, by TNPs, such as exp@ts.cz (<http://www.expats.cz>). An extract of a discussion has been included below, regarding where to buy a bespoke birthday cake in Prague:

sillitoe: Does anyone know where I can buy a childrens birthday cake.. or have one made to spec.
Cheers All, GR

skotik: At virtually any *cukrarna* [cake shop].

sillitoe: yes i knowwww...but I mean a real one.. you know like in the shape and colours of a character like scooby doo, teletubbies or something.

JackDaniels: *Tescos, Interspar, Carrefour*, or the bakeshop down Dlouhá [a street in Josefov, Prague 1].

Jen: Try Bakeshop – [Ruth] made a Lego cake for me a few years ago...if she can't do it, maybe she knows someone who can.

(<http://www.expats.cz/prague/t-90243.html>
accessed 18/05/06)

Such an online community provides a significant support network via discussion fora, as well as real estate listings, bar and restaurant reviews and information on Czech politics and culture. Though such a website could be seen as promoting a 'them and us' world, it actually serves to disseminate a tremendous amount of local knowledge and 'tricks of the trade'¹⁶⁸ that enable TNPs to move away from shopping in supermarkets and visit places that they otherwise would not. What is also particularly interesting in the excerpt presented above is the construction of cakes purchased from a local *cukrarna* as being 'unreal'. A real cake is apparently one in the shape of a Telly-Tubby or Mickey Mouse, and whilst being a seemingly banal distinction, this serves to demonstrate how many individuals construct something Czech as being 'unreal' or 'Other'.

The final coping strategy undertaken is to find small businesses run by either expatriated entrepreneurs or Czechs, often via exp@ts.cz or through face-to-face social relationships and knowledge transfer. One such small business is that of an expatriate butcher from the UK, who owns two shops, one in Nusle (Prague 4) and another in Dejvice (Prague 6). Both AJ and Susan shop there due the fact that he stocks a wide range of British and American cuts of meat:

He sells British and American cuts, so you can get English bacon, American bacon, American style steaks, gammon ham...[I also]...know where he gets his meat. I like to support people with small businesses as I own a small business too.¹⁶⁹

¹⁶⁸ It is useful here to flag up the distinction that exists in French between the verbs *savoir* ('to know how to' and more tacit forms of knowledge) and *connaître* (to know someone or something).

¹⁶⁹ Interview with AJ dated 10/04/05

We buy from him things like, you know, pickles and um, various English things that, you know, I grew up with...he's got quite a good range of Indian food too¹⁷⁰.

Therefore, as can be seen in the discussion above, whilst feelings of alienation govern to some extent the everyday consumption practices of individuals and groups, there are always ways of coping, other than complete withdrawal, introversion and introspection. The final section of this chapter will offer some concluding comments based on the discussion above, demonstrating how everyday lives and rhythms are governed, constrained and controlled by the interlinked spheres of production and consumption. Additionally, the conclusion posits that everyday lives are far from being impossibly constrained or claustrophobic, but are in fact constantly open to reworking by the individual through an engagement with places and practices that once were perceived as impractical.

7.4. CONCLUDING COMMENTS.

In conclusion, the first point that must be outlined is that the everyday lives and rhythms are directly related to the spheres of production *and* consumption. Indeed, the first section of this chapter outlined how the rhythms of daily life and existence are governed by the culture-economy of an individual's work and the possession of various forms of capital, with corporate employees involved in very different rhythms than self-employed entrepreneurs. The 12 to 16 hour days of corporate TNPs, the perceived obligation to carry on 'working' in the bars and restaurants after work (see Chapter 6) create highly restrictive spaces of existence, limited to work, a few bars and restaurants and the weekly grocery shop at *Tesco* or *Carrefour*. The restrictions and constraints placed upon an individual by the imposed space-times of work, limit everyday socio-spatial trajectories by positioning work-place and the work-time centrally within day-to-day experiences. Indeed, the culture of work and economically productive activity undertaken by an individual (alongside a multiplicity of other factors) helps determine the consumption practices of everyday life. Individuals who are self employed and can more-or-less choose their hours of work tend to live less

¹⁷⁰ Interview with Susan dated 21/05/05

rigidly structured and rhythmized everyday lives and have more time to spend engaging 'outside of the TNP bubble', and learning the Czech language. What becomes apparent then is that the culture of economic activity governs and constrains everyday practices and can serve to inhibit the accumulation of different forms of capital. Additionally, the rigid time-space culture of corporate employment serves to promulgate a number of exclusionary narratives.

For example, long working hours prevent any diversification into alternative spaces and practices, singularly focussing everyday life in favour of work. There is little time (or inclination) for visiting new places, exploration or discovery, as social and consumption practices become subordinated to work and economic action in the first instance. Practically, this means that social activity occurs in bars and pubs near to the workplace, shopping for clothes is undertaken in familiar chain stores close to the workplace, and food shopping is concentrated into a large weekly shop at a supermarket a short drive away. The fixity imposed upon daily rhythms and everyday lives by the culture of corporate employment mean that what little free time is left is often taken up with necessary functions such as eating, sleeping and only occasionally socialising for socialising's sake, not allowing time to make a concerted effort to increase social or cultural capital levels.

These ossified rhythms are by no means permanent however, there are always mechanisms of escape, of reconfiguring and of re-articulating the spheres of consumption and production into a more diverse everyday life. In Chapter 6, I outlined how levels of social claustrophobia concomitant with processes of clique formation, eventually form structural fissures and breaks within an individual's life course trajectory, enabling new possibilities, and practices of cross-cultural engagement to occur. The first section of this chapter concerned the rhythms of everyday life, and it is these rhythms that play an important role in the structuring of everyday life, and the production of space that occurs through everyday practices. The constrictive and claustrophobic nature of rigidly structured and highly replicable rhythms, produced as result of the culture of work, (lack of) social relationships and place based cultural capital, often serve to force individuals into radically reconfiguring their daily lives, as existence

becomes claustrophobic, predictable and overly structured. Indeed, many interviewees talked of 'settling down', 'calming down' and 'growing up', creating anew their everyday lives by marrying a Czech partner, starting their own business and removing themselves from the highly restricted consumption patterns that corporate life instigated and promoted, often subconsciously in the minds of an individual. The rhythms of everyday life are then determined by a wide variety of different processes and path dependencies, governed and restricted by the nature of work and the relative levels of place based cultural capital possessed by the individual (see Figure 5.2). Everyday rhythms, I posit, are radically reconfigured through key critical moments of self realisation, whereby an individual decides to alter his or her everyday lives through changes in lifestyle and work (Lefebvre 2002). In understanding the relevance of such moments a greater understanding is gained into the mechanisms underlying the transformations to an individual's everyday life. Such 'decisions' however are often constructed by the same individuals as being 'necessary' and are not by any means completely made through conscious choices. Rather, decisions are made to reconfigure everyday life, in order that an individual feels more at home, more 'embedded' and less 'in control'. The means for achieving this are diverse and have been outlined above and in the previous chapter.

The second section, concerned as it was with the taken for granted geographies of retail and consumption argued that everyday consumption practices are governed by the possession of both economic capital *as well as* a multiplicity of non-financial forms of capital (Bourdieu 1979, 1986). This conceptualisation has sought to demonstrate that not all consumption practices are governed by the ability to pay. Indeed, the vast majority of consumption practices undertaken by the research informants stem from an 'absence' rather than a 'presence'. Naturally such a binary opposition is overly simplistic, but rather the practices of individuals are governed by the relative levels of different forms of capital possessed. For example, a materially *wealthy*, but socially, culturally and linguistically *poor* individual would not frequent smaller shops due to the restrictions placed upon him or her by the varying levels of capital possessed, as well as potentially by unquantifiable phenomena such as taste. Conversely, individuals who are rich in social, cultural and linguistic capital, but materially

poor, become locked into a set of more 'localised' consumption practices revolving around local Czech pubs, shopping in 'second-hand' clothes stores and shopping for food in the cheapest retailers. Therefore, the former individual uses material wealth as a coping strategy, way of making do socially and culturally, whereas the financially poor draw upon reserves of social and cultural capital to make do materially (see Smith and Rochovská 2007; Smith and Stenning 2006). The latter individual can engage more fully with local shops, shop-keepers and consumption spaces, whilst being excluded from large brand stores, expensive bars and restaurants and supermarkets due to high pricing and inaccessibility. This of course begs an important question - who is 'better off?' Is it the person who is forced into spending a lot of money in highly priced consumption spaces because they cannot engage with local practices, cultural norms and language, or is it the individual who is forced to spend small amounts of money in small independent shops and mobilise social networks and cultural capital to 'get by' materially, because they cannot afford to shop or consume in brand stores and bars? It is, of course, an impossible question to answer as both are involved in a very distinct tapestry of exclusionary narratives and spatialities, conditioned by the presence and absence of different forms of capital. In terms of the TNP then, the former example would ring truer, and the emphasis placed upon the accumulation of economic capital becomes less marked as their stay in Prague progresses. These struggles are played out in the workplace, in the bars and restaurants discussed in the previous chapter and through a variety of coping strategies as identified in Section 7.3.

What can the intimations drawn from the discussion of everyday practices and lives tell us about the elitism of TNPs? First, I would suggest that the view of TNPs as being having apparent universal mastery, mobility and wealth is a fallacious one. The discussion presented here and in the previous chapters argues that many TNPs are not 'masterful' but are in fact extremely vulnerable, often alienating and excluding themselves from processes and interactions that would promote or encourage social inclusivity. Whilst many TNPs earn high salaries, live in high quality, spacious apartments (though see Chapter 5) and can afford the 'finer things in life', the everyday practices of many such individuals provide evidence of fear, alienation (see Lefebvre 2002) and

vulnerability, at least during the early stages of their stay. The next chapter will serve to draw together the empirical material presented in Chapters 4, 5, 6 and 7 in order to make both specific conclusions relating to the research questions outlined in Chapter 1, and more general conclusions regarding the contribution to knowledge made by this thesis as a whole.

CHAPTER 8

CONCLUSION

We are segmented from all around and in every direction. The human being is a segmentary animal. Segmentarity is inherent to all strata composing us. Dwelling, getting around, working, playing: [L]ife is spatially and socially segmented.

Deleuze and Guattari (2003: 208)

The geographies examined within this thesis have focussed upon the everyday practices of TNPs, living and working within Prague. Whilst TNPs living and working within the core 'global cities' such as London, New York and Singapore have received significant attention within the academic literature (see Chapters 1 and 2), there has been little research conducted on TNPs living in cities that do not have the economic and cultural command and control functions of those at the top of the global city hierarchy (Beaverstock et al 1999). Indeed, existing research on TNPs working within these more established global cities has, by and large, failed to engage with the everyday lives, spatialities and practices that these individuals are involved in. The intention throughout this thesis has been to gain a deeper understanding of the geographies that TNPs outside of the global 'core' of cities produce, and to examine the ways in which such practices are contributing to the production of exclusionary spaces within a post-socialist global city. Whilst recent research has examined the role of inter-company transferees as transnational elites in the (re)production of knowledge within the producer service sector, little research has been conducted that examines the everyday lives of TNPs. By exploring the everyday practices and micro-geographies of TNPs in Prague it has been possible to critique some of the assumptions that position TNPs as a globally extensive and homogenous 'elite', in order to provide a more nuanced rendering of how such individuals contribute to the production of exclusionary spaces, and the processes underlying these geographies.

I have argued that the gaps in our understandings of TNPs are a result of an over concentration of research examining their geographies in global economic command and control centres such as London, New York and other major financial centres such as Hong Kong and Singapore. Indeed, whilst not wishing to decry existing research that examines the seemingly absolute mobility, financial wealth and dominance of a *global* elite group, I have suggested in this thesis that by moving beyond the core into the traditionally more peripheralised markets and regions, it is possible to develop an understanding the everyday lives of TNPs that can be used as a way of broadening the scope of research on TNPs. This, I believe, can be achieved through several theoretical re-alignments. First, by understanding the crucial role of place within the everyday lives of TNPs – how their lives are arranged, played out and above all *practised* – the processes through which TNPs produce exclusionary spaces can be more fully explored. Second, by exploring these practices *in place*, by engaging with the seemingly trivial and mundane aspects of life overseas, one arrives at the conclusion that the production of exclusionary spaces and discourses cannot *only* be found through the well established signifiers of elitism – perhaps, more accurately, the *distinction* of an urban elite – such as the luxury flats, the fast cars and the ‘sharp’ suits. Rather, by exploring the everyday practices of these individuals and recognising the role of place in everyday life, an altogether more complex picture emerges, of the struggles, contradictions and of the ways of ‘making do’ and ‘getting by’ which are generally overlooked in the literature focusing around TNPs. Third, I would suggest that by focusing on TNPs living and working outside of the traditional global command and control centres there are a number of similarities and differences between these groups that require clarification, in order that the claims made throughout this thesis do not fall foul of theoretical and geographical overextension, but are neither unnecessarily limited and restricted within some form of spatially and theoretically bounded ‘black box’ .

Before proceeding it is again worth noting the similarities and differences that exist between the research informants in this study and those used in other research on TNPs which I have outlined in Table 8.1 overleaf. The first point to make is that there are distinct differences, particularly relating to the levels of financial

Table 8.1. Comparison of TNP Groups.

	The 'Global Elite' Group	The 'Post-Socialist / Semi-Peripheral' Group
Nature of Work	High level corporate. Either partners in professional service firms or CEOs and directors of major MNCs. Also includes political elites.	Medium level corporate / entrepreneur. Associates in professional service firms, local/regional managers for TNCs or the owners of nationally focused businesses.
Decision Making Scope	Significant globally both within the firm (e.g. as partners) and beyond in terms of lobbying State bodies etc.	Significant locally and maybe regionally but often reliant upon <i>global</i> decision makers. Corporates have some say concerning office strategy regionally whilst entrepreneurs have more decision making scope in a national context.
Mobility / Fixity	Traditionally seen as hypermobile. Transcend the particularities of place through the conquering of space and time.	Variable mobilities. Place matters to the individual. Evidenced by number leaving the MNC and 'going it alone'.
'Clubbability'	Globally high. United in the reproduction of a global capitalist order (Sklair 2001)	Globally insignificant though local networks exist (that are often bypassed, see Chapter 6).
Diversity of Group	White male dominated, with majority from middle class backgrounds, select education establishments and UK/USA.	Relatively heterogeneous in terms of nationality, gender, sexuality, race and educational background
Motivations	Wealth, success, not failing. Being a successful corporate employee. Furthering the success and profitability of the corporation.	Less tangible. Not motivated by the success or failure of a large corporation, but more by a 'pioneering spirit' of exploration, survival and striving.

wealth possessed by each group, the relative scales and extent of their decision making and command and control functions, and the diversity and employment profile of the groups. That said, despite these differences, when considered *in place*, each group can be seen to be part of a larger overarching group of TNPs, but one that is heterogeneous and internally differentiated, rather than globally extensive and homogenous. This leads into the first general conclusion that will be made, arguing that a specific group of TNPs should always be

viewed in relation to other groups of TNPs, but crucially, always seen as existing *in place*, within a distinct set of bounded spatialities and co-existing with individuals who are *not* TNPs.

Therefore, by recognising these similarities and differences, this thesis offers three broad theoretical contributions to understanding the everyday geographies of TNPs and their interactions with the post-socialist city. First, I would argue that any study of TNPs should position these individuals both within a broad global architecture of TNPs in order that their relative power cannot be overextended, as well as within the context of their everyday lives *on the ground*. Such a 'relational elitism', recognises the diversity and heterogeneity of TNPs as a loose global network or group, but also their impacts upon society and space on the ground. Indeed, whilst the informants included in this thesis cannot be seen to have the same 'global elite' status as those researched elsewhere (Beaverstock 2002, Sklair 2001) their relative financial wealth when compared to local residents could be seen to be evidence of elitism. However, the key point here is that any ascriptions of elitism should be based both in terms of the individual's position within the global architecture of TNPs, as well as the individual's position on the ground, in everyday life as evidenced through his or her everyday practices. Such a dual and relativised approach provides a more nuanced way of understanding the ways in which TNPs operate across and within multiple scales and serve to produce an array of transnational and local spatial assemblages.

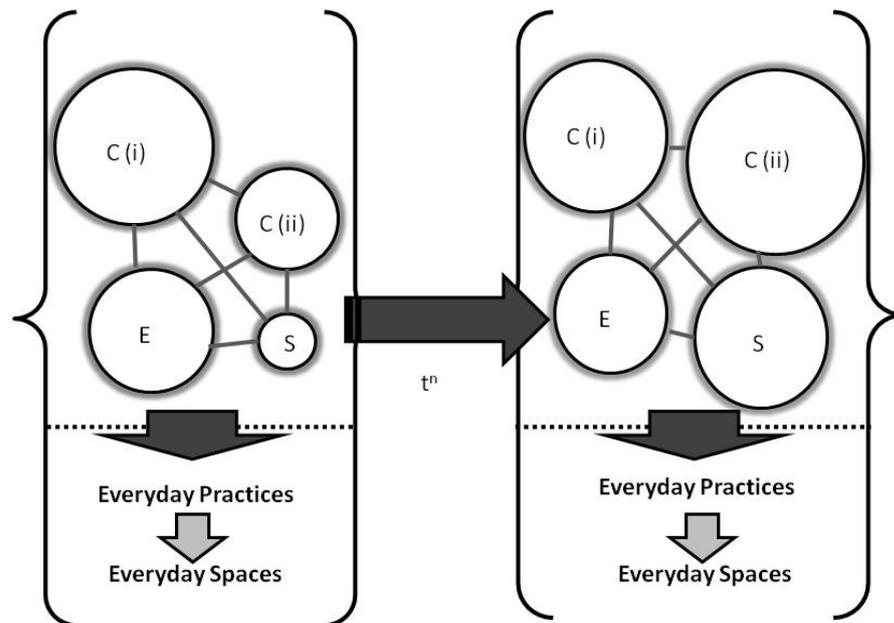
Second, the concentration throughout the thesis upon the notion that capital is always multiple, following Bourdieu, and that the accumulation and conversion of different forms of capital plays an important role in the production of (exclusionary) urban spaces, provides a number of insights regarding the nature of power in everyday life. In Chapter 5 I explored the ways in which the production and consumption of luxury housing is dependent upon more than economic and financial capital. The role of place based cultural capital possessed by an individual impacts strongly upon housing choice, serving to govern a TNP's housing trajectory and choice, summed up in Figure 5.5. In Chapter 6, the role of TNPs' social networks was explored in the context of the production of exclusionary social spaces, arguing that social networks were far

from static, but evolved temporally and are crucial in the conversion of economic and social capital into place based cultural capital. In other words, the hectic rounds of socialising helped individuals accumulate knowledge relating to Prague enabling a more diverse set of everyday practices. Figure 6.3. illustrates the 'ideal-type' temporal fluxes of the different capital forms possessed by an individual through their life in the city. Chapter 7 extends these claims by examining in more breadth the ways in which an individual's assemblage of everyday practices transforms over time and with this, their space-time pathways through the city. By scripting these transformations in terms of ways of 'making do' and 'getting by' it is possible to move away from the dominant popular understandings of TNPs as being hypermobile 'Masters of the Universe', again with the understanding that multiple forms of capital should be afforded a more central role in our understandings of everyday life in the post-socialist city.

Throughout the thesis I have argued for a more decentred and relational understanding of power following Massey (2000, 2005) and Allen (2004), the latter of which argues that, "...power in its various guises is always mediated relationally through space and time" (ibid: 30). Central to the argument presented here, is the way in which power is understood in relation to the accumulation, possession and conversion of different forms of capital, whilst also recognising that this framework is not the *sole* refuge and domain of power. Indeed, following Deleuze (1988: 60) the nature of power in everyday life should not be explored solely in terms of, "What is power and where does it come from" (ibid), but rather more in terms of, "How is it practised?" (ibid). By viewing power as a relation between different forces, or as a 'power relation' in Foucaultian terms, it is possible to understand the importance of the relative levels of different forms of capital possessed by an individual in governing and constraining everyday practices and therefore the production of space. The notion that, "...each force has the power to affect (others) and to be affected (by others again), such that each force implies power relations: and every field of forces distributes forces according to these relations and their variations" (ibid: 60) provides a compelling framework through which to understand the ways in which the relations between different forms of capital possessed by the individual serve to enable and constrain practices. Figure 8.1. illustrates how

the different forms of capital possessed by an individual change over time, effectively summarising Figure 6.3.

Figure 8.1. Capital-Power-Practice (E=Economic capital, S=Social capital, C(i)=Non place based cultural capital, C(ii)=Place based cultural capital).



The relative levels of each form of capital change over time through processes of conversion that occur through everyday practices. The overall ‘character’ of the capital possessed by an individual TNP serves to enable or constrain a variety of everyday practices that are in turn reliant upon the power relations present between the fields of force that are generated by each distinct capital form. In other words these relations correspond to Bourdieu’s (1986: 106) notion that, “...the structure of relations between all the pertinent properties which gives its specific value to each of them and to the effects they exert on practices”. Therefore, the ‘character’ of the capital assemblage (and the power relations existing within and beyond it) built up by an individual has distinct practical effects, not only upon everyday practices, but upon, I argue, the nature of the spaces that these practices produce. Additionally, by disaggregating cultural capital into a non place based (form i) and a place based form (ii), place is brought back into our understandings of power and everyday life, and this further allows both a critique of the assumed ‘hyper mobility’ of TNPs as well as a recognition that locality matters even for individuals who supposedly

transcend the specificities of place. In terms of the implications for examining the production of exclusionary spaces, I posit that the practices most likely to create exclusionary spaces are an outcome of the existence of significant imbalances and disequilibria existing between the power generated by capital forms. When one form of capital dominates the others by subsuming the fields of forces produced by the others, everyday practices become routinised and predictable, while the spaces they (re)produce are increasingly exclusionary in form and function. For example, in Chapter 6, the dominance of economic capital during the early stages of an individual's stay, *enables* the TNP to live in luxury housing and socialise in expensive bars and restaurants, whilst the relative 'weakness' of place based cultural and social capital, *constrains*, at least temporarily, the TNP from engaging in a diversity of practices outside of the realm of the familiar. Whilst the examination of the linkages and associations between relational power and the possession and accumulation of multiple forms needs to be extended through further empirical research, it nonetheless offers a compelling reading of the complex ways that everyday life is governed and practised.

Third, the thesis has served to refine Bourdieu's conceptualisations surrounding the existence of multiple forms of capital, by foregrounding the role of place in such theories, particularly within understandings of cultural capital. By disaggregating cultural capital into two distinct forms it has been possible to recognise and distinguish between non place-based cultural capital (form i) relating to formal education, past experience and knowledges that are not place specific, and place based cultural capital (form ii) consisting of more localised and knowledges that are bound to particular places and practices. It is important to note that this distinction should not be seen to indicate that certain forms of capital are produced in ways that are somehow 'outside of place', indeed such processes should always be seen as situated and 'placed'. Rather then, the distinction ultimately lies with the ways in which different aspects of cultural capital are translated between different places. For example formal education and qualifications tend to translate more easily in different geographical contexts whereas more everyday knowledges that are tightly bound to lived experience do not. This separation and distinction, I argue, is particularly important in critiquing notions that TNPs somehow transcend the particularities

of place, demonstrating that place is vital in the practice of everyday life for the individuals within this thesis, as local knowledges, practices and informal 'know-how' play a vital role in the production of housing market trajectories (Chapter 5), in the production and evolution of social networks, and the spaces they produce (Chapter 6) and also in the time-space pathways that characterise everyday life and the taken for granted practices that occur every day (Chapter 7). Furthermore, the separation of cultural capital into its place and non place based components provides a useful way of reinforcing existing understandings of the linkages between space-place, power and practice in contemporary society.

Overall then, I have sought to problematise and destabilise the commonly held imaginary of there existing a globally extensive, homogenous group of TNPs that constitute a singular *elite* group in contemporary society. By exploring the geographies of TNPs outside of *global* command and control centres a more complex picture of TNPs has emerged. Indeed, given the argument presented above, regarding the necessity of bringing place back into studies of TNPs, it is just as important not to overextend the claims made in this thesis to TNPs living and working in markedly different contexts to the one examined here. Rather, the intention has been to centre commonly held assumptions and to encourage a more 'bottom up' theoretical and practical approach to studying TNPs. Following these general theoretical points, I will now pay particular attention to the research questions outlined in Chapter 1 and provide some discussion of the relevant findings. These questions are reproduced below:

1. *In what ways do transnational professionals contribute to the production of exclusionary spaces in the city of Prague?*
2. *What are the processes through which these spaces are (re)produced?*
3. *By critically examining the everyday lives of TNPs what evidential base is there for ascribing them 'elite' status and how can such a critique aid our understandings of social difference in post-socialist cities?*
4. *By rethinking post-socialist urbanism via everyday life and everyday practice(s), how can such an approach deepen our understandings of*

the emergence of social and spatial inequalities within post-socialist cities?

As regards the first research question, TNPs contribute to the production of a number of exclusionary urban landscapes that have been discussed throughout this thesis, namely (i) the development of luxury apartment and villa housing, (ii) the emergence of luxury bar and restaurant spaces as a result of TNP social networking, and (iii) the emergence of a landscape of exclusionary consumption spaces and retail outlets. In Chapter 5 I explored, through a number of case studies, the geographies of Prague's luxury housing market, paying particular attention to the role of TNPs in the production and consumption of these spaces. This exploration demonstrated that TNPs working within the real estate sector of the economy, alongside international flows of economic capital, play a central role in the re-classing traditionally working and lower-middle class districts of Prague, particularly Prague 7 and Prague 8. The discussion argued that the asymmetric power relations existing between the municipal government and the private sector has created a mercantilist climate for property investors and their agents that is producing an array of exclusionary spaces. Additionally, by exploring the housing trajectories of research informants and the mechanisms through which they make housing choices, it has been demonstrated that decisions are made based upon the levels of place based cultural capital possessed by an individual. For example, TNPs with no prior knowledge of the geographies of Prague often begin their stay in the city in gated communities (either apartments or villa housing) and, as their knowledge base increases over time, they move away from these established 'expatriate enclaves'. Chapter 6 further developed the themes introduced in Chapter 5 regarding the importance of viewing capital as having a multiplicity of forms (following Bourdieu), arguing that social networks and practices produce certain exclusionary leisure spaces (bars and restaurants for example) through the conversion and accumulation of different forms of capital by individuals and groups. As the levels of capital possessed increase (particularly place based cultural capital and social capital), an individual's everyday practices transform over time leading to the reproduction of a different set of spaces. In addition to the exclusionary residential and social spaces produced by TNPs, Chapter 7 examined the ways in which everyday spaces of consumption are (re)produced

as an outcome of a variety of everyday tactics of 'making do' and 'getting by'. The consumption practices of individuals were explored, outlining how certain multinational 'brand stores' are (re)produced, potentially reinforcing their hegemonic market position, but also, that such spaces are contributing to the increasingly fragmented form of the post-socialist city. Additionally, I argue that the constraints placed upon a TNP's everyday life by the centrality of work and the material demands of late capitalism, mean that an individual's space-time pathways through the city are often limited, regimented and offer little diversity of practice. Such restrictions can serve to limit an individual's everyday geographies, locking them into particular assemblages of practice that occur in surroundings that are semiotically familiar, deepening perceptions of difference and fragmentation on the part of the TNP.

With regard to the second research question, I have used the theoretical work of Henri Lefebvre, Michel de Certeau and Pierre Bourdieu to investigate the different processes and relations that are involved in the production of the exclusionary spaces discussed above. By rescripting the presence of elitist spaces as a trace of everyday practices that are effectively ways of 'making do' and 'getting by', it has been possible to recognise the 'ordinariness' of these individuals (Massey 1994). Indeed, by understanding that these ways of 'making do' and 'getting by' are constituted by different assemblages of tactics and strategies, themselves reliant upon the accumulation and conversion of multiple forms of capital, it is possible to problematise commonly held perceptions of 'elitism' and spatio-temporal 'mastery'. This movement away from dominant discourses placing economic capital at the centre of understanding the practices of TNPs is, however, not an outright denial of existing research on TNPs in the global economic 'core', but rather an attempt to destabilise and offer new reflections, recognising the specific nature of my own respondents and the heterogeneity of TNPs as a group. Furthermore, the understanding of power presented here is much more decentred, ordinary and relational than is generally proposed, offering a number of insights into the ways through which TNPs, through everyday practices, interact with and (re)produce urban space. Through this attempt to decentre and destabilise, a pluralistic understanding of the nature of capital and power has been arrived at, following Pierre Bourdieu, as well as a concomitant refusal to view the possession of

economic capital alone as the sole driver of everyday life and spatial reproduction.

Specifically, in Chapter 6 I argued that social networks provide a necessary medium through which social and place based cultural capital (see Chapter 2 for elaboration) are accumulated and converted, enabling the TNP to diversify his or her everyday practices. Through recognising that the social networks of TNPs revolve around more than formal business 'networking', a deeper understanding of the role of these networks is achieved. Furthermore, the spaces that such networks produce can be seen as exclusionary on the basis of class and affordability, particularly during the early stages of a TNP's stay in the city when social practices are invariably played out in the expensive wine/cocktail bars and restaurants of the city centre. However, I have emphasised the temporality of everyday social practices in order to demonstrate that the particularities of practice *ab initio* are by no means set in stone, but are always open to transformation. The specificities involved in the conversion and accumulation of various forms of capital and the implications this has for our understandings of practice are explored at length in Chapter 6. These ultimately revolve around the conversion of economic capital into social capital, which in turn is converted into place based cultural capital, that in turn allows an individual to begin to embed within the geographies of Prague *itself*, rather than moving in a fleeting fashion between the semiotically familiar surroundings of *Alcohol Bar* and *Marks and Spencer*. The economic capital that is required in the first instance takes a number of forms, (i) as an institutional requirement in the form of a club membership fee (e.g. British Chamber of Commerce or the EBA) or, (ii) a non-institutional requirement based upon the ability to pay for certain products and consume in certain spaces. Therefore it is fair to say that economic capital is a *sine qua non* of initial network membership, it is by no means the sole driver of future social and consumption practices. Indeed, as individuals gain new knowledges of the city in terms of housing (Chapter 5) and consumption spaces (Chapters 6 and 7) the stereotypical cocktail bars, five star restaurants and gated duplex apartments are often eschewed in favour of less explicitly fetishised spaces.

With regard to the third research question, I argue that the term 'transnational elite' is a term that is often overextended, treating TNPs as a single homogenous global class. Whilst the power of such individuals, particularly operating within the core global cities such as London and New York, cannot, and should not, be ignored, it is disingenuous to extend this understanding to TNPs operating in emerging global cities. Indeed, I would argue that by focusing on a spatially extensive, but always differentiated and heterogeneous (in terms of function, lifestyle, financial wealth, taste etc) set of TNPs a more nuanced set of understandings can be arrived at regarding the nature of their dominance and mastery, and just how spatially extensive this actually is. The informants used throughout this thesis should be seen as part of this globally extensive set of TNPs, but also as a distinct group of professionals, with fewer large scale decision making functions and markedly less financial wealth than those operating within the global economic core. That said, their impacts upon urban space are marked and their *relative* financial wealth is significant when compared to majority of the Prague population (See Chapter 4). Therefore it is important to appreciate the position of TNPs within both a global frame of reference in terms of decision-making and wealth accumulation, but also recognising the national and regional contexts in which they operate, live their lives and impact upon the urban landscape.

Specifically, I have argued that by deploying and developing Bourdieu's theory of multiple forms of capital, many TNPs in Prague can be considered *relatively* wealthy in terms of the levels of economic capital they possess, and that whilst this economic capital enables a distinct set of everyday practices, it is by no means a satisfactory way of making judgements regarding elitism *in its own right*. By considering the relative poverty of the TNPs in this thesis in terms of social and place based cultural capital, an altogether more complex understanding is arrived at. Indeed, drawing on the work of Michel de Certeau, the ostensibly elitist practices and spaces that TNPs engage in and produce are better thought of as the manifestations of different tactical and strategic ways of 'making do'. These entail the conversions of different forms of capital, the transformations of which in turn alter the everyday geographies of the individual in question in terms of housing (Chapter 5), social (Chapter 6) and consumption (Chapter 7) spaces. Whilst practices of capital conversion and accumulation

produce a number of exclusionary spaces, transformations to the relative levels of capital possessed inevitably lead to an increased diversity of practice. Therefore, I argue that that whilst the possession of high levels of all forms of capital may logically infer elitism, the evidence presented here indicates that in fact the opposite is the case. Additionally as notions of elitism often focus upon a unilateral imposition of elitist practices upon a benign and passive landscape and society, what has become clear throughout this research is that TNPs often strive to embed within, rather than exclude themselves from, localised cultural practices and 'ways of life'

Finally, as regards the fourth research question, I have suggested that by using a relational and practice-oriented framework as an entry point into unravelling the complex geographies of the post-socialist city, a deeper understanding of the linkages between everyday practices and the spaces they produce is arrived at through an examination of the nature of power and of capital(s) in the taken-for-granted sphere of the everyday. As Stenning (2005) has demonstrated via research on the changing geographies of housing estate residents in Poland, national and regional political-economic transformations have profound impacts upon individuals living within the post-socialist states. Within the context of this thesis, the profound transformations that occurred in the Czech Republic during the early 1990s, effectively created a producer service sector *ab initio*, encouraging the migration of skilled professionals into the country from the 'West' to act as pioneers in this newly created sector. Concomitant with the creation of the producer service sector and the increased presence of financially wealthy TNPs, many individuals were experiencing increased insecurity, poverty and marginalisation, creating an increasingly polarised society where at the same instance many were struggling to eke out a survival, whilst others were taking full opportunity offered by a re-emerging capitalist (dis)order. By focusing upon TNPs, my intention throughout has been to examine the 'flipside' of the transformatory coin seeking to demystify the geographies of those often, and appropriately, scripted as the winners of the post-socialist transformatory game, or uncritically held up as being an all powerful group of elites that are global in scope. In these ways then, this thesis serves to complement a significant emerging literature on the nature of everyday life in post-socialist cities (see Smith 2007; Smith and Rochovská

2007; Stenning 2005; Williams and Round 2007a). I have sought to demystify the geographies of TNPs in post-socialism, through an explicit examination of the ways in which they produce a variety of exclusionary urban spaces, focusing both upon the form of the spaces themselves, but crucially, upon the ways in which such spaces are the physical traces of an assemblage of different ways of 'making do' and 'getting by', which are focused upon the accumulation and conversion of different forms capital and also the relations of power that these capitals generate. Through such an examination I have demonstrated that the informants upon which this study is based cannot necessarily be seen as members of a singular and overarching 'global elite', but rather as a subset of a more disparate and heterogeneous association of TNPs that, whilst possessing significant financial wealth compared to the local population, at a global level are far from being dominant.

It useful at this juncture to reflect upon some of the limitations of this research as well as outlining the ways in which research presented here could be expanded upon in the future. First, the research presented here, is partial and was never intended to provide a full and complete picture of the everyday lives of urban residents in Prague. Indeed such a task would prove to be beyond the scope of a PhD thesis. However, it would prove useful to develop this work by incorporating studies of the everyday lives of Czech professionals living in Prague, as well as those individuals who have been increasingly marginalised through the multiple processes of post-socialist transformation (see Smith 2007; Smith and Rochovská 2007; Stenning 2005 for illustrative studies). Additionally, this would provide the scope for a deeper examination of the nature of difference and Othering that exists, in various guises, between the relatively recently emerged professional classes and those increasingly marginalised individuals (see Sassen 1991, 2001). Such a task I would argue is vital in developing our understandings of the (im)material geographies of both class and identity transformation in post-socialism, but was beyond the immediate scope of this thesis. Second, it would prove useful in the future to develop research into the everyday lives of TNPs *from* the post-socialist states who are living and working overseas, in order that comparisons can be drawn between the two heterogeneous groups, seeking out commonalities as well as differences in everyday practices and the spaces they produce. Such an

approach in the future would strengthen contemporary understandings of transnationalism and everyday life, as well as exploring the intersections of mobility, class and processes of identity formation in relation to post-socialism.

Finally, and by way of summing up, the research presented here should be seen as a rendering of diverse processes of societal transformation, not transition, that are ongoing within many post-socialist cities, not just in Prague. I posit that the situation present in Prague should be seen as specifically and distinctly post-socialist, following Stenning and Hörschelmann (2008) who argue for the further recognition of 'actually-existing post-socialism', rather than subsuming understandings of post-socialism into dominant universalist discourses of globalisation and transition. Indeed, I would further argue that the complex urban geographies of Prague explored throughout this thesis should be seen as a partial reading of a multiplicity of 'post-socialisms', opening up new and rich potentials for research, rather than being limited by singular understandings of 'transition' that are overly obsessed with teleology and 'endings'. The research presented here then, seeks to make no grand claims to universalism, but is rather a contribution to an ongoing concern amongst post-socialist geographers to, "...outline post-socialisms that are partial and not always explanatory but nevertheless important" (Stenning and Hörschelmann 2008: 312).

APPENDIX 1

TABLE OF RESEARCH INFORMANTS

Name	Nationality	Age	Yrs in Prague	Marital Status	Spatial Trajectory	Job / Role	Sector
Keith	British	30s	5	Partner (Czech)	London → Prague	Company Owner	Real Estate
Lynne	Australian	Late 30s	2	Married	Australia → Vienna → Prague	Unemployed	N. A.
Justin	British	32	3	Partner	London → Prague	Director	Real Estate
Barbara	British	35	3	Single	London → New York → Prague	Solicitor	MNC Law Firm
Susan	Australian	46	5	Married + 2 Children	Australia → Prague	HR director	MNC Consultancy
Wayne	USA	43	8	Married (Czech) + Child	San Francisco → LA → New Mexico → Prague	Self Employed	Executive Recruitment
Will	USA	30s	2	Partner (Gay - Czech)	New York → Texas → Macedonia / Kosovo → Prague	Lettings Manager	Real Estate
Mike	British	50	14 (+1 year as a student)	2 nd Marriage (Czech) 1 st Marriage (British)	Leeds → Oxford → Prague → UK → Prague / Leeds	Partner	Boutique Management Consultancy
Barry	British	34	3	Partner(CZ)	London → Prague	Solicitor	MNC Law Firm

Name	Nationality	Age	Yrs in Prague	Marital Status	Spatial Trajectory	Employment	Sector
Lembit	British	Mid 30s	9	Single	Uk → Prague	Manager	MNC Accountancy
Tim	USA	Mid 30s	3 months	Single (Gay)	Mid-West USA → Prague	Middle Manager	Conference Organising
AJ	USA / Iran	Early 30s	8	Married (Czech)	Boston → London → Prague	CEO	Advertising / New Media
Jack	USA	Early 40s	17	Partner (Gay - Czech)	USA → Puerto Rico → USA → Germany → USA → Prague	Teacher	International School
Leslie	British	Late 40s	15	Married (Czech)	London → Prague	CEO and Chairman British Chamber of Commerce	Advertising
Dick	British	50s	2	2 nd Marriage (Czech) 1 st Marriage (British)	UK → Middle East → Caribbean → Malaysia → China → Tanzania → Botswana → Lesotho / Uganda → UK → Prague	University Lecturer and Telecomms Consultant	Education / Communications
Andy	USA	Late 40s	12	Single	USA → Prague	Self Employed	Graphic Designer

Name	Nationality	Age	Yrs in Prague	Marital Status	Spatial Trajectory	Employment	Sector
Daniel	British	Early 30s	5	Married	UK → Prague	Freelance journalist	Media
Liz	Australian	Late 20s	2	Single	Australia → Prague	Writer	Non-Profit
Franz	Germany	Mid 30s	5	Partner (in Germany)	Germany → Prague	MNC	Conference Organising
Anya	Fiji	Late 20s	2	Married (Czech)	Fiji → San Francisco → Brno → Prague	Self Employed Cosmetics Producer + Call Centre Operator	Retail / Service Industry
Michelle	Philippines	Mid 20s	1	Single	Philippines → Prague	Call Centre	Service Industry
Hope	Canada	Late 40s	12	Divorced	Canada → Prague	Horse breeding + full time mother	Livestock
Aliya	UAE	Late 20s	2	Single	UAE → USA → Prague	MNC	Technology
Rudy	Austrian	51	4	Married + 2 children	Vienna → Prague	Major Czech Bank	Banking
Steve	British	31	7	Partner (Czech)	Milton Keynes → Ratiskovice → Prague	CEO Exp@ts.cz	New Media

<i>Name</i>	<i>Nationality</i>	<i>Age</i>	<i>Yrs in Prague</i>	<i>Marital Status</i>	<i>Spatial Trajectory</i>	<i>Employment</i>	<i>Sector</i>
Terry	USA / Czech	42	10	Single, Divorced	Czech Republic → Canada → Prague	CEO PC Firm	Technology
Holly	New Zealand	23	2	Single (Gay)	Dunedin (NZ) → Vienna → Prague	Music Student	Education.
Miroslav	Canadian / Czech	35	17	Married	Brno → Toronto → Prague	Manager	MNC Accountancy
Byron	USA	19	2 months	Single	Los Angeles → Prague	Student	Part time work.
Jan	UK / Czech	29	10	Partner	Prague → London → Prague	MNC	MNC Real Estate
Gareth	USA	19	6 months	Single	Los Angeles → Prague	Student	Part time work
Simon	USA	20	6 months	Single	Los Angeles → Prague	Student	Part time work.

APPENDIX 2

BIOGRAPHIES OF KEY INFORMANTS

AJ

AJ is the owner-manager of a public relations and advertising company in Prague. He arrived in 1995 as an act of rebellion against his parents and started working in a bar for the first six months of his stay. AJ was then offered a job in a major advertising agency and he worked there for another year before working for a company owned by Citibank. He was then made redundant following the bursting of the dot-com bubble and was set to return to his hometown of Boston with his new Czech wife. Another chance encounter led to him setting up his current business, and whilst his working hours are long, he enjoys being his own boss and living in Prague. He has recently purchased a villa in Prague 6, and whilst he occasionally misses the hyper-sociality of his early days in Prague, AJ thoroughly enjoys leading a more settled life.

BARBARA

Barbara is a commercial lawyer with a major international law firm, and first moved to Prague after completing her legal training. She spent a year in Prague teaching English in 1994 and after marrying an American student also on a year out, she returned to London to work as a trainee solicitor for 4 years. Then Barbara moved to a major firm in New York in order that she could be with her husband who worked in the city. Barbara returned to Prague after several years in New York as her husband was doing PhD research in the Czech Republic. She joined her current employer after a couple of weeks being unemployed and can never see herself leaving the city. Barbara does not really socialise with other expatriates as she prefers 'hanging-out' with her Czech friends. She currently lives in Prague 4 and is looking to buy a property in Prague

BARRY

Barry is a British lawyer in his early thirties and works for a major international law firm in Prague. He arrived in 2002 on a secondment with his company and has decided to stay in the city for the foreseeable future. He currently lives in Prague 6 with his Czech girlfriend, though when he arrived he lived in the centre of Prague with his English girlfriend who was a legal secretary at a different law

firm. Barry cannot see himself leaving Prague, as he enjoys the social scene and is in the process of buying a property. His current friendship network is a mix of expatriates and Czechs, and this is a situation that has changed over time as the temporary nature of many expatriate work placements means that forming relationships with other expatriates was difficult. He is a member of both the British Chamber of Commerce as well as the 'Miserable Yorkshire Bastards Society', a highly informal social network for expatriates working in the legal and real estate sectors.

DICK

Dick is a lecturer in telecommunications at the Agricultural University in Prague. Originally from the UK, his expertise are in engineering and he works as an occasional consultant within this sector. He is married to a Czech woman after divorcing his wife in the UK, and he now lives in Prague 4 with his wife and two step-daughters. As an active member of the Prague Lodge of the Freemasons, he is involved with a lot of charitable work in the city, and only really socialises with his wife and her friends. He is not a fan of heavy drinking, but enjoys Prague's vibrant social scene, particularly classical music and outdoor pursuits. Dick also finds Czechs to be friendly, engaging and still have what he describes as a 'sense of family'. He cannot envisage leaving Prague in the short or medium term, and is eager to begin work on a PhD on telecommunications technology.

JACK

Jack is a teacher at the International school of Prague and teaches psychology and history to 16 to 18 year olds. He has had history of living as an expatriate, moving to Puerto Rico from the USA at the age of 13 and then returned to the USA for a year before taking an undergraduate degree in Germany. Jack then returned to the USA to complete his teacher training, and it was this school that had links with a school in Prague. He moved to Prague in 1987 and has contacts with a significant proportion of the expatriate community in his capacity as a teacher and was therefore understands the impracticalities of living abroad

and the coping strategies that expatriates use to survive. Jack is in a long term relationship with a Czech male and has a fluent command of Czech language and culture. He currently lives in a 1920s apartment in Prague 6 and is looking to buy a property in the city.

KEITH

Keith is the owner manager of a burgeoning real estate company in Prague, *European Reality*. His company performs a variety of real estate functions, performing the estate agency on new build flats, presenting new developments to international investors, as well as the everyday management of the properties of his tenants and landlords. Keith set the company up 4 years ago in an attempt to provide a 'customer service driven' real estate company, in reaction to a number of poor experiences with Czech real estate agencies. Prior to founding *European Reality* Keith worked as a consultant engineer in the telecommunications sector before being made redundant. His company now are instrumental in the redevelopment of several districts of Prague, notably the districts of Prague 8. Keith is a proud member of the *Expatriate Business Association* which he believes signals a return to a 'my word is my bond' style of business, and does not involve him becoming a member of every Chamber of Commerce in the city.

LEMBIT

After working in the UK as an accountant for Boddingtons Brewery between 1990 and 1996, Lembit decided to move to Prague for a change of scenery and to further his career. After relocating he initially worked for a subsidiary of Commerzbank for 4 years before moving jobs and working for a US property developer in Prague. His social life upon arrival was extremely frantic, often going to pubs and bars 4 or 5 nights a week. Lembit found this life unsustainable however, and now visits the pub maybe once a week with his Czech friends to catch up or have a gossip. When Lembit first arrived, he rented an apartment in a cooperative housing project with his then girlfriend, however their relationship ended and he now lives in Prague 6.

LESLIE

Leslie has lived in Prague since 1990 and is a prominent member of the expatriate business community, co-chairing the British Chamber of Commerce. As a long term resident of Prague she has experienced many of the transformations that have occurred in the city since the early 1990s. Initially she worked for an international law firm and her role was to set up an office in the city for her employers. After working for the law firm for 2 years, she decided to set up her own public relations and marketing company that holds contracts with many of the multi-national corporations present in Prague. Her involvement with the British Chamber of Commerce came about following a realisation that in the early 1990s it was only a 'drinking club', and Leslie believed it could be more involved with the practicalities of doing business in the Czech republic. She has played an instrumental role in setting up a code of ethical conduct for all members. She enjoys her life in the city and has recently married a Czech lawyer.

LYNNE

Having arrived in Prague from Sydney, Australia with her husband two years ago, Lynne has found the expatriate lifestyle difficult and has struggled to settle in Prague. Her husband works as a senior manager for a multi-national beverage conglomerate and was sent to Prague for 3 years to head up their operations in ECE. Prior to arriving in Prague, Lynne lived in Vienna for 18 months which she enjoyed immensely and had a full and active social life. She is currently unemployed having given up her career as an occupational therapist when her husband was sent to Vienna, and now struggles to fill her days productively. She is a resident of Americká Park, an exclusive residential development in Prague 2. Lynne is looking forward to leaving Prague as is her husband.

MIKE

Mike is currently a partner in a boutique management consultancy company in Prague, having at a senior management level for a number of major multinational companies in the city. He first visited Prague in 1975 on a student exchange programme when he was an undergraduate student at the University of Cambridge. Mike specialised in Slavonic languages (specifically Russian, Czech and Slovak), and he sees his fluency in Czech as being central to his love for the Prague and the Czech Republic. Before returning to Prague in 1991, he worked as an export manager for Tate and Lyle and as a product manager for ICI in the UK. He left his job at ICI as he was overlooked for a major promotion that would involve heading up their operations in ECE, and went to work for Rank-Xerox in Prague along with his wife and son. Mike then worked for HJ Heinz and a German supermarket as a country manager before becoming a management consultant in 2000. Following his divorce in the mid-1990s he has recently re-married and divides his time between Leeds and Prague, renting a flat from his father-in-law in Prague and returning to Leeds at weekends.

SUSAN

Susan is a regional human resources director working for a major international management consultancy. She is married with two children and moved to Prague from Melbourne, Australia in 2000. Initially she found the transition difficult and struggled with the language and everyday practicalities such as driving. Additionally, her family didn't arrive in Prague until 8 months into her contract which she admits was challenging, though it allowed her to settle and immerse herself in work. Susan's husband works for a major logistics company and her two daughters attend the International school of Prague where Susan sits on the board of governors. Presently they live in Nebušice, Prague 6, a popular expatriate residential area.

TIM

Tim only arrived in Prague several months prior to the interview and therefore it was useful to discuss his first impressions of the city. Prior to moving to Prague from the USA, he worked at the Bank of America as a software engineer. He had visited Prague several times and admits that he had fallen in love with the city and decided to relocate. After receiving more job offers in Prague than in his native North Carolina, he took a job in a major conference organising firm in the city. His move was partly due to political reasons, as being gay he felt that he could no longer live in the USA as he believed it had been, 'co-opted by the political Right and the religious clueless'. He enjoys Prague and aside its beauty, enjoys the vibrant gay social scene and cannot see himself leaving.

WAYNE

Wayne moved to Prague in 1997 from San Francisco for political reasons as he was unhappy with life in the USA. Initially he ran a number of restaurants and bars in the city, before setting himself up as a recruitment consultant and 'headhunter'. Wayne enjoys his job as although the hours are long he has job flexibility and the pay more than justifies the stress of work. He is not a great fan of political situation in the Czech republic at present and believes that the city has become too commercialised, and he misses the 'bohemian' and 'mystical' days of the mid-1990s when Prague was largely undiscovered by tourists. Wayne is now married and has just had his first child with his Czech wife and is living in Vinohrady, Prague 2.

WILL

Will is originally from the USA and has had one of the most convoluted and diverse sets of experiences that led to him living and working in Prague. He went to University in the USA and read philosophy and religion before he moved to New York to work in the marketing department for a fashion jewellery wholesaler. Following on from several years in New York he moved to Houston,

Texas where he was a marketing consultant for a real estate developer. He then moved horizontally into a sales position, which was where he met his future employer in Eastern Europe. This new position was for a logistics firm based in Macedonia and Kosovo, where Will moved in 1999. Will was then offered an equivalent position in Prague after 3 years in the Balkans before he joined one of the foremost property developers in Prague, ORCO. He is now settled in Prague and loves the cosmopolitan atmosphere of Prague. Will also appreciates the vibrant gay and lesbian scene and has an active social life, as well as a stable relationship.

APPENDIX 3

COPY OF INTERVIEW SCHEDULE

1. Career and life histories.

First of all, can you give some background information about yourself?

[Name, age, sex, marital status, children etc]

[Educational background]

[Career history to date]

[How did you come to be in Prague?]

[How long are you staying here for?]

[Have you had any overseas experience prior to moving to Prague?]

[Have you experienced any problems with living in Prague?]

2. Consumption habits and social practices.

How do you find socialising in Prague when compared to other places in which you have worked?

When not working, who do you socialise with?

[Family, friends from work, other expats of same nationality, Czech friends etc]

Do you keep in touch with friends and family back home on a regular basis?

What sort of places do you usually socialise in?

[Bars, cafes, coffee bars, friends' houses, expat clubs, work events, opera, football etc]. Some specific names would be useful.

Are you a member of any business or expat clubs?

[Chambers of commerce, Prague CC, Prague Barbarians CC etc].

How do you find the leisure facilities of Prague? Do they fit your needs?

[Gymns, high culture, cinemas etc...]

Is Prague a good place to shop? Why?

[Good choice, cheap prices, designer stores

Do you feel that retail, leisure and consumption spaces are specifically geared towards a specific group or class of people?

[Look for evidence of social segregation].

3. Real estate markets.

Whereabouts do you live, and what status is your occupancy?

[Short/long term rental, owner occupier, company provided].

How did you go about finding somewhere to live?

[Mechanisms: real estate agencies, relocation company, employer sorted it out].

If you found your accommodation yourself, were the procedures simple?

[Helpfulness of letting agencies and real estate companies etc].

How do you find the quality of your accommodation compared to that at home?

[Helpfulness of landlord/agency, furnishing, appliances, location etc].

Is accommodation good value for money compared to 'home'?

What is your opinion of Prague's public transport system?

Are there any areas of the city that have developed into expatriate enclaves? That is to say areas where there is a high proportion of foreign nationals compared to indigenous Czechs?

Some academics have suggested that the formation of residential enclaves can be damaging to the urban society. What is your opinion of this?

APPENDIX 4

SAMPLE INTERVIEW TRANSCRIPT

INTERVIEW WITH LESLIE – CHAIRWOMAN OF THE BRITISH CHAMBER OF COMMERCE

Andy: Well, I'd just like to say thank you for agreeing to be interviewed!

Les: No problem. I don't usually on this sort of thing because I'm always short of time but, you know, when I was a student it was always bloody, you know, you want people to help you. I think it's a good idea anyway

Andy: Well thank you. I know how busy you are so thank you. Maybe we could just start first of all with a little bit of your background, how you came to be in Prague and what kind of work you are involved in.

Les: Yeah. Well I'm not very typical, lots of people are not very typical here. There are lots of people here who have got two lives really. I came out here with a law firm that I was working for in London called *Lovells*, a big law firm, I was working in sort of management and they were quite sort of, forward thinking in those days. Law firms didn't tend to employ people other than lawyers working there so I was a bit different. They were also quite different in that their specialisation at that time was to have offices all over the world, many more than anyone else. The big new place that everything was happening, Lovell's would open an office, like in Prague. So I was sitting in my office in 1990 with my head down and someone came in and said, "we'd like you to go to Prague and have a look", and I said, "ooh no thanks, I'm not doing that", and they wanted me to as there was no work particularly here [in London]. I've got an Austrian father and spent quite a lot of time over here in the *region* but not actually in Czechoslovakia as it was then, and um, so anyway, to cut a long story short, I didn't have much say in the matter. So I either went or would probably have been fired so I came here. I came here in March 1990, some 6 months after the revolution, so it was really lots different to how it is now. It really hadn't changed at all, everyone was, I mean I arrived it was -20 degrees which was colder than I had ever experienced in my life so that was a great start really, plus on the way here, you couldn't even

get...There wasn't a daily direct flight at that time so I had to come via Paris and they had lost all my luggage so that was a really good start too, and so it went on. So I came here, absolutely hated it, well I didn't hate it, I spent 3 weeks here, it was really tough, really unfriendly and I stayed in this really God-awful hotel and didn't know anybody and no-one spoke anything except Czech, not German, not English, nothing. It was really tough but you could see that there was, you know, nothing. It was like landing on the moon really. you could see that there was enormous potential if someone was brave enough to do it, but I went back and said that I could see there could be lots of potential for everybody, but it was too early days. It was too, it was just too different to anything you could imagine. I went back to my office, carried on normal life, and then a month later someone popped in and said, "right, oi, I want you to go out there for 6 months and get the office up and running and moving. I said, "no way, no way", but then, I didn't have much say again, so I put down all sorts of different, I said, I'll go, but I wanted more money obviously, I'm not that driven by money but I was thinking of all these things to stop them. I wanted more money, I want a hardship allowance, I want special clothes because it was so cold, so I needed fur hats and things. Even though I was going out then in Summer. In that time, you wouldn't believe it but at that time people, even educated people assumed that Prague was like Russia, freezing cold with snow on the ground all year round.

Andy: I did before I came out here last year funnily enough and I came out in in February, it was a bit chilly, but it was ok.

Les: It's just like anywhere. I love the sun and the heat. I came back out when it was the summer and then I started to think, 'ooh, maybe it's not so bad'. You see Prague in the summer and it's completely different, I came back from being out here a few weeks before I went back to England the second time round, I went back with a sun tan and everyone was wondering where I had been. People have such weird ideas, but you also realise how much propaganda we've been fed in the same way as they've been fed, you know, about certain things. But anyway, so I came out for 6 months, set the office up, sort of started to get moving, met a

couple of other mad people who had come out that early and that really, when I started to have, you know, a friend here, I started to feel more like life is a little more bearable. After about a year I started to really get into it and you could see... 'A' I was really in debt when I came out here, a load of debts from college and stuff like that and um, so, living here, having everything paid for by the company and my salary gone into my bank at home, over a year I could pay back all my debts, that was good! Making new friends and feeling like, it was a bit like being 18 all over again. Out every night, partying every night, it was mad, you know, it was so touch. Work was so tough that evenings were, sort of, meet in the only pub we were... There was a pub on the Old Town Square, that was a really awful old Czech pub that we called the 'Dog and Duck', just to make ourselves feel at home, and we'd all meet in the 'Dog and Duck' the 10 expats as we were then, we'd all meet there at, in the evening, and stay there until we got kicked out, and discuss about how difficult it was. I mean it was SO difficult...

Andy: How on earth did you set up an office if there was no...

Les: It was luck a lot of it. I continually talk about how I've had lots of luck all through my life here really. I mean I think in the beginning, it's hard to believe it now, I mean we take so much for granted really, but we had on the board of our firm a Czech, an old Czech dissident, well not so old, she was quite young then...

[Les's phone rings]

Les: ...she was quite connected here, um, from pre-, she was one of the underground people working with the underground during the communist time so she found a law firm here, a Czech law firm, that she new the guy who was running it, and the only way an English law firm could operate here was to be in association with a Czech firm, so she was out here quite a lot with me and she organised that we could rent 2 rooms off this Czech law firm. He was obviously somebody dodgy, I mean he had these fabulously grand offices compared to everyone else's, so obviously all

sorts of dodgy stuff had gone on in there. Anyway, to get us started he let us have two rooms, so we started off like that. She helped us with that, so she was in and out, the first thing that I did was find someone to translate and I found this young girl who had been living in Cuba. Czech's could go to Cuba., it was one of the communist places they could go to. Her father had been in the army or something and had been in and out of Cuba so she had learned English and she was only about 20, but she already spoke really good English. I found her, Dagmar, and once I had Dagmar to translate, then life became a little more easier but noone spoke anything other than Czech. I guess if you went out to the towns on the border then you would find people who spoke German, but around Prague noone spoke anything, mainly Russian. That was always difficult, there were no real restaurants. There were pubs there were Czech restaurants but they wouldn't serve you. Would walk in and say, "have you got a table?", and they'd be empty and say no. Literally how you read about it, yeah. I used to eat like a hotdog on the Old Town Square at the weekends because it was the only place I could buy food, amazing really. Um, then no phones worked. We had one phone line, the guy there let us have one phone line and it would just break down all the time, and there were only 50 international phone lines at that time, only 50 in the whole country, so trying to phone out, you know, you'd use the phone and it would be engaged, you'd pick it up again and it'd be engaged. I'd to back to England and pick up the phone in England to call somebody and hear that it was engaged, and put it down and try again, and do this and after about 10 times, "it really is engaged!" it's not that there's not a phone line available, it's just how it is. Phones didn't work, computers you couldn't buy, I smuggled a computer out in my briefcase, a small laptop, it wasn't really a small laptop it was quite a big laptop at that time and also a fax machine I bought out in a suitcase...

Andy: ...well done...

Les: You just couldn't buy those things. But having got a fax machine, it was on the same telephone line as the phone, which never worked anyway. It was really, it was just really difficult, and not only that, we thought it

would be just like a branch office, that we would set it up and it would just, sort of, well we'd set it up, and we would say, "Well, Lovells have an office in Prague". Within weeks of having, telling the world we were here, we started getting work, just, all these huge companies, not many English at that time, but big international companies coming here, saying that, "we wanna do something there", and they would come to Lovells because we were the only foreign law firm and it's the first person they used to go to. That's actually how I got started really, because I didn't really, law firms, I'm married to a lawyer, and I live amongst lawyers and so on so I can be rude about them, but lawyers are the most unfriendly people to anyone who's not a lawyer. So working in a law firm, even though I had quite a, vaguely serious position, my direct boss when I was here was like one of the most senior partners then, but I still wasn't a lawyer, and if I wasn't a lawyer I was nobody really, and I didn't really want to stay in that world. I was always a bit crazy, I never, I always, I have this theory that there are two types of people, and you'll see in 10 years whether I'm right or not, there are company people and there are entrepreneur type people. People who are good at being in big companies, they are not necessarily the cleverest or the best or whatever, but they're very good at towing the party line and saying the right things. I'm not one of those people, I'll always say the wrong thing, and I'd always be the one who was arguing, saying, "no I don't think we should do it like this, I think we should do it like that, this doesn't make any sense", and my own boss would say, "shut up, because you're never going to get on in business in this firm if you keep on arguing with people in authority, the people who get on are the ones who say, "yes sir, no sir", and those sort of things. I can't be like that. Most of the people I knew here when I first got here were the same. All a bit, slight tearaways a bit, a bit rebellious, but you needed to be like that in those days here I think. I think now, looking at, I say to people, "if you think that I could have run this business for the last 12 years that I've done it now, and been a shrinking violet, it just wouldn't be possible". In order to do this I had to be a bit mad anyway, as most people did who have been here since the beginning, so that's how I came here anyway. Within about a year of being here and setting up so many different companies, business just

went berserk, with all these different people coming here, a lot of them were, I became friends with lots of the people I was working with, and gradually everyone, like, a surveyors company would send a surveyor out here to open an office. Then a[n] advertising agency would send an advertising person out to open an office...

Andy: ...the pioneer stages almost...

Les: ...Yeah, yeah. But they're the wrong people, you know, they would be setting up...My first client was Healey and Baker [now Cushman, Wakefield, Healey and Baker], which was a big real estate agency, but um, the guy who was sent out to open an office here, he became one of my friends, he was like 30, had been working in the London office where everything is laid on for you, and he was a surveyor, so coming here and being told to open an office, find an office, put equipment in it, put, find staff, get it moving, was like, "how the hell do you do that?" A lot of my friends were saying to me, "Cor, people who go out an offer services, there are no services here, there are lots of companies coming here and doing things, but services that produce equipment or produce staff, and you could see that there was noone did those and you can see there is masses of business there". My first thing I wanted to do was a recruitment agency, but that was my first idea, I sat there for a year, I was at Lovell's for 2 years, of the first year the first 6 months was hell, after that I was just thinking that I could leave here and set up this, could set up that. Every day you were having ideas, as we all were. The I thought about doing a recruitment agency as my first thought, but then I realised that there just weren't people, there were masses of companies, all having the same problems, all wanting staff and you just couldn't find decent staff, what we would call decent staff in those days. So fine, set up a recruitment agency and have 5 million clients and never find the people. Then my main friends were all involved in property, that was what most of the English people were doing here, they all went off and started saying to me, "however are we going to do things like billboards and brochures?", we were always discussing those things. I'm not a designer, but I'm brilliant at writing and I'm a salesperson, so I know

exactly what they want, noone else will no what they want, it's not so difficult to make a big billboard saying, "Healey and Baker has for sale this building", and I know what it should look like in the West. Noone here would have a clue, so I started to develop this idea and I thought, 'this is a great idea'. I must admit I don't think I knew what PR was in those days, I knew about marketing, I didn't know what the words were but I knew the things were that they did. So I sounded out lots of my friends, and they were all saying, "do it, do it", and I kept on thinking about doing it and, 'I can't do it, I'm not brave enough to do it', and then a very good friend of mine told my boss here, "you know that she's leaving don't you", and my boss said, "no". I came back from lunch one day and he said, "can you come in", he was here for like two or three days a week at that time, "come in and talk to me, I hear that you're leaving". I said, "what are you talking about?" and he said, "various of your friends over the last few days, and you're...I think it's a great idea, a brilliant idea, and I think you should do. I'm not going to stop you doing it, I think it's the best opportunity possible, and we will give you work to get you going so do it". That's a sort of précis version but I didn't have much choice at that point, and he's like my mentor really, he's retired and actually lives out here now, with his fifteenth wife or something, and he's still, if I need some advice with some stuff, he's the first person that I ring or send messages to. He, not many bosses would've done that, I was expecting him to say, "what are you playing at, what are you thinking of", kind of thing but he was entrepreneurial too, so that's how I started really. So I had Healey and Baker which were my main client and Lovell's, and they're nice names, you know, I didn't even think about it at that time, but have those sort of names and say I was working for them, it made a lot of difference.

Andy: They're still here now and established as well.

Les: I still work for them funnily enough, I still do work for them, it's nice that like 12 years later...So that was it. This is going to be a long interview if I carry on that long but...

Andy: So I mean, how have you found that it's changed over the last 10 years, it's quite a big question I guess, but there are so many changes.

Les: Well for me it's just changed on the surface it hasn't changed underneath. I think it has changed over the last year or so, literally a short time, yeah. This guy I know who's an old dissident who's back here now and he walks around town and he says he shows people around and takes them, like we all do, and shows them this beautiful building and says, "that's a beautiful façade isn't it", and he says, "yes, that's all it is this country it's just a façade". He then goes off into one! It used to be like that and it still is a bit and you walk around this town and you see all the gorgeous buildings and now you see the Western shops or the supermarkets or the shopping malls and all those things and it, and people are very, well much better dressed now than they used to be. You'd walk around here even five years ago and people looked poor and...

Andy: ...and the thing is that people who aren't here on a long term basis would think that Prague and the Czech Republic was this beautiful city...

Les: The way that it's portrayed in England yeah. Very rarely does it show the bad side. It is a beautiful tourist destination, it does now have nice shops, it has nice pubs, it has nice restaurants and so on. On the outside it appears to change a lot, and it has changed a lot on the outside, but on the inside it has barely changed. This is the most corrupt of all the ex-Eastern bloc countries...

Andy: Yeah, yeah, is it? Is that governmentally or more corporate?

Les: Generally really from the top down. Yeah, and it's well known. I've had to deal with it a lot in my PR life, you know, in some shape or form I don't know anybody here who hasn't been touched in some shape or form by various levels of corruption. Very serious stuff, you know. You do sort feel like it's, because it's such a pretty tourist destination that it hasn't had to change that much, everyone talks about Slovakia and Hungary and

Poland, well Slovakia and Poland lets say, are amazing Western cities now, they may still look like communist type countries. When you walk in, sorry I mean drive in to Bratislava, or you drive in to Warsaw, you see an awful lot of communism there, but if you walk around the centre of Prague it's a pretty medieval town, you know.

Andy: Yeah, because in Bratislava you've still got the big old chemical works, the housing estates

Les: Yeah, yeah, and you don't have millions of tourists coming to Bratislava for romantic weekends. So when you go and do business in Slovakia, actually it's much easier than it is here. Because the people, and Poland I think is even more like that, because people have had to work really hard. They've had to really welcome the foreigners, work hard, life has not been easy for them whereas here, from the day that the communists were driven out, the tourists were flooding in. When you walk around and look at all the stuff here, it's a bit controversial what I, we all think really, but...you're not really going to find any business, any restaurant, any hotel, any business, any, anything that is going places that isn't owned by foreigners. There are no big Czech success stories other than...you know, crooks or people who have sold out and companies that have sold from companies for small amounts of money and are relatively doing very well. I mean they haven't really had to change their ways at all.

Andy: Because one of the big scandals especially during the 1990s was the asset tunnelling of like, during privatisation.

Les: In some ways there were two big players really, Viktor Kožený who made all the headlines all the time and then um, Želežný, Vladimír Želežný who is still around. He is actually part of the EU now, he put himself forward to be one of the European parliament. Those two, most Czechs think Želežný is a hero because he has so much money...

Andy: Huh. It doesn't matter how he...

Les: No, it doesn't matter how he got it, the fact is that they would aspire to be him because they see him living this wild, exotic life with all this money. He got all that money by embezzling it in every shape and form, this means nothing to them. If that's what it takes to make that sort of money, well that's great. They're very short sighted, they don't see the building of, you know, building things, growing things in order of making the money, it's make a buck as quick as possible in the best possible way. To the people here that usually means being crooked, sadly. That's the difficult part of business here...

Andy: ...lack of ethics?

Les: Yeah, and very difficult for us. I think 95% of Brits really are brought up to be basically honest, and I'm not saying that everyone is honest in this, but we are generally brought up to have certain morals and therefore it's quite difficult for us to understand when people, normal people, which we may mix with in day-to-day life, may not have those same morals that you do. That always hits you, it's always such a big shock and a big disappointment when you find those things out. It makes you very untrusting. I'm very untrusting of people nowadays, I've had just about all the worst things happen to me over the years and, but you don't want that to affect you too much otherwise you'd end up not liking anybody.

Andy: Being suspicious of everybody.

Les: Yeah, there has to be a certain amount of trust up to a point otherwise how on earth would I run a business. I find myself doing ridiculous things sometimes, like, I don't know if I've ever told this to anybody actually, but I actually...

Andy: ...exclusive!...

Les: ...counted the toilet roles in the loo the other day because we seem to buy enormous amounts of toilet roles, like there's a big pile of packs of 8

toilet roles and we seem to continually buy them, and at the end of every day they seem to have all gone!

Andy: Asset tunnelling on a minor scale!

Les: That's why I haven't told anyone before. Because I think they'll think that I'm totally off my rocker. In here, there's 13, 14 people here, and if they all nick a toilet role and take it home, which noone would think anything of, that would explain why we have to replenish them all the time. I'm sure they do. It's all your business, when you're watching all the costs and you're watching the income all the time and you're cutting costs all the time, these things do actually mount up. I'm not saying it wouldn't happen in England too, because these things do happen in England, but it happens in every shape and form here in everything. I had a cleaner that used to steal my clothes and things like that. To the point that like, you, it can do you in if you're not careful really.

Andy: Yeah, you've got to be on the ball.

Les: Yeah, everyone has had their car nicked, everyone's had problems with, you know, from the very smallest things, right up to the biggest things...

Andy: Really, well, moving back on to the business side of things, who are your main clients nowadays, I mean, who have you...

Les: My main, main clients that you would know is Tesco. It fluctuates, you know, depending on what they're doing, on how busy we are. Up until today we haven't been so busy the last sort of 6 months but we're about to start on a big project, and the guy's coming here tomorrow so I can see we're going to be very busy with them. They're my nicest clients, but that depends, I mean it's like any company really, it depends who you deal with, I have the fortune of dealing with two really nice guys at Tesco who are really easy to deal with, who always make sure we get paid on time, who never argue with, and who let me get on with it. So we do a good job, we give them an invoice, they pay us straight away, we do

what we're being paid to do because they treat us very well. That's not to say that everyone has the same experiences with Tesco. A lot of people have bad experiences with them, but my people are the best. Travelex is quite a big client as well. We, it wasn't my plan when I came here to go and, well, it wasn't my plan to do this and it wasn't my plan to all sorts of things, but once I started to, sort of, start to find myself in what I wanted to do, it wasn't ever my plan to go after the foreign companies. I always assumed that we would be setting up something that would bring a service for the local companies. We've never worked for a local company. We have never, ever worked for a local company. Local companies use local companies, it's jobs for boys, there's no crossing over. We provide probably a different service to what the local companies are looking for, and equally, not many foreign companies use local Czech agencies for, because they're not getting what they are expecting. We are so far apart in every way, it's really strange. I mean all of my clients, they, we don't go out looking for anyone, we never have, but we started out with Healey and Baker and Lovell's and they started talking, sort of, nice things about me, and more and more foreign companies that knew Lovell's or Healey and Baker, like I say it was mostly real estate at that time. We worked for Healey and Baker, two minutes later King and Co [KingSturge] were knocking at the door and then, we were working for Lovell's, we started working for CameronMcKenna, then we started working for CliffordChance, and we suddenly started. One could say all sorts of conflicts, in a way, but there never was really because we were just a small team of people here who were all friends together and it was very easy just to do, I just continue to try to do our best job for anyone. The fact that unless we're absolutely competing over something, which never happens, the fact that they happened to be in the same business together didn't really matter. We just did the best for them. It's sort of word of mouth and occasionally you get somebody who I don't know who will send me an e-mail, or they've found us on the website nowadays, that's only in the last two or three years really, I mean when I started those things didn't exist. You'd never be found on a website because you didn't know what a website was, but nowadays, you know someone's done a search and they send something in wanting a quote for doing

something. Generally it's word of mouth. Occasionally now, you have these big, supposedly Czech institutions or companies, I mean Eurotel is a 'Czech' company and how do you define what is a Czech company? It has a lot of foreign investment, but Eurotel will be seen as one of the companies who are sort of one of the biggest, with the biggest advertising spend anyway, and they want to be seen to do proper tenders, so if they're looking for a new agency they would do a proper tender. Ultimately they'll still use the same agency that they always use. We've learnt that over the years. We might be asked to tender for something, but you know that it's just not worth all the work. It'll just be tied up to some friend-of-a-friend in the marketing department. It's all quite seedy really. It's like we're working sometimes in a sort of, two worlds in a way. There's all these foreign people all doing a bloody good [job] here, all employing a lot of local people and all working amongst themselves

Andy: Yes. Do you think that's harmful at all? To the economy or...

Les: Long term it is yeah. They, Czechs don't still understand really how they must open their arms to us more. They still don't see the benefits other than foreigners have lots of money so let's get as much off them as possible. That's ultimately how they think. They still have the double standards. You imagine, I mean it's changed a bit now, but you could go into a hotel not that long ago, and there would be one price for foreigners and one price for Czechs.

Andy: I've read about that, the tourist signs for admission to Karlstein...

Les: It still happens all over the place. If you have a Czech number plate on your car in Karlstein, it's still the same. It's one of the most popular places, and you go into the car park, one price for foreign number plate and one price for Czech number plate. If you said, "one price for blacks and one price for whites", you imagine how much people would have to say about that. Living with that over the years here has seriously got us down a lot, this constant feeling that foreigners have so much money,

and that Czechs have no money and they're only there to get money of us. Most Czechs only used to want to work in a foreign company because they earned the biggest salaries, not because they wanted, they would learn or, the opportunities might be, but we'll get bigger salaries there. We don't expect to have to work harder for it, because obviously foreign companies have harder work ethics, we just want to be there because that's where the money is. It is damaging, has been damaging and will continue to slowly be damaging. They, you know how they are with gypsies? So everyone here, you know, you walk around my office, very Westernised, pretty, smart, they all bar one of them, are terrible racists about gypsies. I occasionally have got into arguments about it, even though I shouldn't. I think, 'no, walk away, don't get involved', but I can't help myself.

Andy: I'd heard about that before I came out.

Les: Yeah. Terrible. Still now, some friend of mine who's married to an Indian wife gets spat at on the Metro and things. That's still now.

Andy: One of my interviewees was from Oman and she was talking about this issue...

Les: Has she had problems with it?

Andy: A little bit yes. She said she doesn't go to certain places after dark, and...

Les: You'd be all right in the centre now, but once you start to get outside the centre, no they wouldn't be any different. I've felt it here. I had a half-caste girl working for me for a little while, half Nigerian-English, and they just see different coloured skin and they really gave her a hard time for a long time. I just felt, nothing was ever voiced, but I think they never really accepted her because of the fact that to her she was just lumped together with almost, sort of, Czech. They see anyone who isn't Czech as being a little bit inferior anyway. When I got into this very big argument with one of them not that long ago, the trouble with all of you [Czechs] is

that you spend all of your time talking about the problems with gypsies, you say, supposedly, that they are the pick-pockets, blah, blah, blah. Even if they are, these are the smallest of your problems. You should be concentrating on the people that are stealing the big money, not the small money. They say, "yeah but it doesn't affect us", "well but it does! Don't you understand". Just indirectly. Here we have the highest rate of tax in all of Europe now, um, of employee tax.

Andy: Really? I know because back in the Uk one of the thresholds is at about 40,000 a year I think, but here the threshold is a lot lower and the taxes are a lot more.

Les: ...and, all the other taxes, you know. I employ someone who, lets say, for 20,000 crowns a month. A low salary you would think. Of that they will take home 12,000 and it will cost me about 30[,000]. I have to pay another 35% on top...

Andy: For health and...

Les: For taxes, and then they pay 30% as well. So for a cost of mine of 30,000 my employee actually takes home about 12,000. That is all, you know...

Andy: God. That's sixty percent almost.

Les: Yeah. That means that you can't generally, you're always a little bit resistant to employing any more people, every time you give them a pay rise, they don't see it really by the time that they, the more pay rise they get the more clobbered they get on taxes anyway, and so on. VAT is high, taxes on cars are high, all those things, and you say, "well if less people in the high up positions were tunnelling money out of this country, this should be a very wealthy country, there's so much industry and everything else, but it doesn't have any money because it's all being tunnelled away. If you concentrated more on the people who are tunnelling all the money away, and less on the one or two gypsies who might or might not nick your bag on the Charles' Bridge, if people made

more an issue about those things, then you [the Czechs] would all be benefiting from it. Much more than you are now. They just don't see that, they just don't see it. They say how we [the Czechs] would like to be in a position to tunnel money away, that would be good! That's the only thing they would think on that particular conversation.

Andy: It's quite interesting that they sort of um, make people like Želežný like a sort of folk hero and then just like...

Les: Kozeny is not a hero, he'd be a hero if he was still here, he's not a hero because the bugger nicked all the money and left, and that is really unfair isn't it?! If we were going to nick all the money we'd want to stay here and be a real Czech and stay here and be proud to be Czech. That's how they think of it. How dare he not stay here? It's all very weird and wonderful how they think. Long term it is damaging it already, it is continuing to damage it, and long term will damage the country an awful lot. There are lots of situations now where big companies are looking to invest in the region and they go somewhere else, and that's happened a lot recently. A lot of that is to do with the tax situation and...

Andy: Slovakia as well, gets companies like Daewoo...

Les: It's not surprising. It doesn't surprise me in the slightest. I had a small office down there for a while and I closed it in the end, although I knew that it could be really successful, but I just, I don't have enough hours in the day as it is, and in order to do it, to spend time down in Bratislava every so often, and get it up and running, and then spend some time there to drive the business, it was always time that I wasn't spending here. Why drive business down there when there's always gonna be business up here? The time that I spent down there, you could see it, you could feel it, this is going to go places much quicker than it will here. Because of the personal attitude and people feel that, companies feel that, big companies looking to invest here, it's not just about taxes, it's also to do with the general feeling that they get from everybody. You can interview anybody, and ask them about corruption, or ask them about

why they don't want to live here for the rest of their lives, and they will always tell you the same things. When people say, and I live an amazing life, and I'm the first person to say that I'm bloody lucky and everything has, it's amazing how I can live this life, compared to how I would live if I was living in England now. So I shouldn't complain, but on the other hand when people say, "well, you have this lovely life, why don't you, are you going to stay here for the rest of your life", the reason why, because I just can't live in a country where I'm not accepted as, because I'm not a Czech. Where you're up against this sort of mentality.

Andy: How are your language skills, may I ask?

Les: Not bad. In the beginning I didn't even think, there was no way I was going to stay here, the first year, second year, forget about it! Then I within two years, I was so used to working with a translator. So first of all I wasn't going to be here, when I decided I was going to go out on my own, first thing I thought about was, after having two years of not learning a word of the language when I hated being here, I didn't hate it towards the end but I hadn't planned on staying. What was the point of learning Czech if I wasn't going to stay here? Then when I did decide to stay here, and set up on my own, instead of saying, "ok now I must spend the next six months learning Czech", the first thing I said was that I'd have to find myself a translator before I even start, so that's what I did. It's the busyness factor and it was always the case in the beginning. I remember in the beginning I was just always worrying every month about making enough money to cover the overheads each month and am I going to have enough money in the bank to pay the rent this month, and stuff like that. Then once we'd started to get past that, and become more established I'm just always so busy. It's only really in the last 3 years that I've had enough people and life has become so more organised, that I've got enough time to say, "ok, I'll do an hour here and an hour there". I'm quite good with languages, I mean I grew up speaking German, and lived in Turkey for a while so I could speak Turkish, so I have a bit of an ear for languages. On the other hand I haven't learnt Czech since I was a kid and doing it one hour every week, when my mind's on other things half

the time, which isn't the best way to learn it. It's amazing sitting down to learn it after being in a country for so long how much has gone in by osmosis almost.

Andy: Well I've only been here 3 weeks and little things creep in. I did a little bit of stuff before I came over...

Les: Obviously you start to pick up bits and pieces, I've been here long enough that I've picked up quite a lot, so by the time I sat down, with a proper Czech teacher, then I realised that I knew quite a lot. For me it's just, I can go home, and hold quite a long conversation in Czech with my old man who is Czech, surprisingly enough, he lived in England for a long time so he's not totally Czech, I will practice with him, and I'd say, "lets speak Czech for an hour", at the weekend and practice with him and converse and chat away quite happily with him. If I really have to I can like, in a restaurant or taxi, but partly it's shyness, partly that, and I'd never really done it, in my Czech lessons I will chat away in Czech, at home I'll chat away in Czech, but I don't use it in the office and I don't use it in business. It's also the, being a female, they're very chauvinistic here anyway, and walking in to any business meeting, I'm always on a slightly back foot anyway, and sometimes with people here, it's not easy being the boss. It took me a long time to understand that however much I may want to be their friend, they don't want to be my friend. Eventually I realised that actually it's better like that, and so we have a nice, we all get on fine, we're not friends and sometimes I have to, I don't want to be in a position where I will be laughed at. I don't want to be corrected as I am the boss sort of thing, um, and it's difficult enough to be the boss without that, so I don't tend to speak Czech here. But they all know I understand nearly all of it, so when I hear them whispering! It's quite good for the outside world, they all here know, but sometimes with people in the outside world I can sit and listen to conversations that are going on and pick up a lot of interesting stuff that people don't have, they just assume that because I'm foreign, I haven't addressed them in Czech when I first walk in that I don't speak it so, they'll talk about stuff amongst themselves. Certainly if I'm feeling pissed off I can make myself well

understood. For the guys here, most of the guys I grew up with here, they were like being in Willy Wonka's chocolate factory turning up here. All these gorgeous girls, especially in those days, because just after the revolution Czech girls still, their one aim in life was to get out. It's not like that any more but they still want a Western boyfriend, because...

Andy: It's amazing the number of people I've, guys that I've talked to in their thirties, who came out here single or whatever and now have Czech girlfriend.

Les: It's ok when they're 30 it sadder when they're like 50, 60 and settle down with an 18 year old. There's lots of those, yeah. I sort of lose, I'm always a bit sort of disappointed when I see people like that in a way.

Andy: I think I would be as well.

Les: One or two of my friends, male friends that I grew up with who've ended up. One of them who married his Czech girlfriend who barely spoke any English and he didn't speak any Czech. I thought he was a really sort of intelligent guy, so what is that all about then? You know. Because ultimately in a relationship you have to be able to sort of communicate and converse and talk about interesting things sometimes don't you. So for a lot of the guys, learning Czech became easier because they were all dating endless strings of young Czech girls who spoke to some lesser or greater degree spoke Czech. Whereas I never dated any Czech blokes! So I never had the opportunity to practice my Czech in the same way.

Andy: Ok, sure. I was wondering if we could talk about your involvement with the British Chamber of Commerce?

Les: Yeah.

Andy: ...and what you do for them and how you got involved with that possibly.

Les: Um, I, when it started there were only probably, at that time, a hundred English people living here. At that time, the Embassy, the guy, the commercial attache's plan who was at the Embassy at that time, he wanted to set up the British Chamber here as a sort of, leaving gesture, he could go away from here and say that he had set up a Chamber of Commerce and leave in a sort of, blaze of glory. So he brought out this guy who was a sort of, specialist about Chambers, to set up a chamber here, and they then put together a shortlist of 3 possible people who could be the chairman. I was one of them and I, we're talking 1994, I still continued to feel like a fraud because I'm really, the other me, the non-professional me, is an utter nutter, and I wonder where they get these ideas. They asked me if I would be the chairman, and I went to be interviewed by this guy who was setting it up and he was explaining to me what was required, and he said, "who do you think would be the ideal person to do it", and I said, "definitely I would be", sort of Leskingly and he said, "yes, yes, that's why we're talking, it's an awful lot of work", and I said, "yeah that's why I said 'definitely I *would* be' as far as the person you want but it definitely ain't gonna be me". I didn't have any time at all. But I became a member and for the first two years, I mean, it was like a sort of, almost like a drinking club really, it wasn't, not because of the drinking, but more because of the club thing. People were so lonely, I was so lonely when I first came here because there was noone, and noone spoke anything and it is all very well working 24 hours a day, 7 days a week, but occasionally it's nice to see a friendly face and at least have someone to dump on or something. If you first arrived here, our 'Dog and Duck' pub on the Old Town Square became famous. Anybody new turning up in town, if they got to here it was, "go to the 'Dog and Duck' because you'll find the expats there". Somebody would shyly walk in and say, "hello", and you'd say, "oh you're English, come on, come and Lesin us". Now, some of those guys are like, the heads of big business here now, but we were the sort of founding 'Dog and Duck' group...

Andy: ...the founding fathers...

Les: ...the founding fathers yeah. by the time the Chamber of Commerce came along, they could see that that was really the most important thing. By this time there were more expats and there were more places to go. Those of us that had been here longer had our own lives, so somebody new turning up in 1994 had nowhere to go really, you couldn't say, "well go to that place because that's where they are", people were sort of dispersed a bit and living a normal life, so it was really lonely. The Chamber put on lots of, once every two or three weeks, there were Chamber events, like a mixer in a pub or something, and that's why people then joined the Chamber of Commerce, to go and meet other people, make business contacts, meet people, make friends and that was the main. It wasn't what it was supposed to be doing, but it was one of the things that it was supposed to be doing, and that was what people really wanted from it.

Andy: A coping strategy in a way?...

Les: Exactly, a coping strategy. There are now companies that do that, as a professional thing. It's a bit late now, it's not so necessary now, then it was. But there are companies now in the UK who get people ready for going, coming to the Czech Republic. Training them, how it works, who to meet, where, before they even come here. Now it wouldn't be so, but then it was really difficult. The Chamber was sort of offering that, so I and most of my friends became members, and then, you know, this is not being repeated, I felt, or lots of us who had been here for some time started to feel that it really went 'off the wall a bit'. It wasn't doing any of the, it was just going from 'ok that's what's needed' but then it just became a sort of drinking club, but people that you really wanted to go and meet...You were a member of the Chamber of Commerce so you wanted to go and meet other members of the Chamber of Commerce but wouldn't go for example, I got to the point when I wouldn't go, because it wasn't worth it. I sent a couple of my girls along, so what ended up was that all the member companies would send their young Czechs along, who then all joined up together at the Chamber of Commerce because it was free drink, drank themselves stupid and went home. So it wasn't

really what it was supposed to be doing. It wasn't dealing with some of the issues and between 1989 and 1995, there were so many issues, noone could possibly deal with anything, just finding a phone line was an issue! Everything was so corrupt and all the law was being re-written and everything so who could possibly do anything with that. But then it started to take on more of a shape but every so often something weird and wacky would come into play and the Chamber of Commerce, the American Chamber would say, "hey we should be doing something about that", the British Chamber would just say, "ahhh, not interested". There were so many things that it could do and it didn't do and we all got a bit disappointed with it. Then uh, various of my friends dropped out and I just thought, partly because of the business I'm in in a way that, I didn't really want to drop out, I still wanted to be involved in it...

Andy: Because it is potentially a very important and useful thing...

Les: It should've been yeah, yeah. I decided that, well, if you can't beat them, join them a bit. Either shut up, everyone was complaining about it in the late 1990s, 2000-ish, complaining how useless the British Chamber was, lots of people were leaving and joining the American Chamber or joining the, another Chamber, or just leaving and saying, "it's useless it doesn't do anything". So either say it's useless and so leave, or shut up complaining about it and try and do something about it. The only way to do anything about it would be to get on the board and start to sort of, have some say in what's going on. So then I did that, so I sound power crazed really. I saw that, I think that because I've been here for so long and it's been so difficult and I sort of think that, and I'm not just driven about money, and also that I have, I don't really have anything to prove any more, I don't have a CV in a sense. A lot of the people I was on the board with at that time, this is why I was saying it mustn't be repeated, they were on for all the wrong reasons. They would go on the board of the Chamber of Commerce to say on their CV, "oh while I was in Prague I was on the board of the British Chamber of Commerce", and that helped them when they went to Poland or something, for their next job. It didn't really help the Chamber, so I thought, 'well, I'm gonna get on and

start trying to change things'. I did and gradually over the last two years, some of those people have left, and people more like me, who actually do want to put the work in and change it a bit and become something a bit more powerful have joined, so now we've got quite a good board and they, so I'm the uh, co-chairman now, there's two chairmen.

Andy: Who's the other one if I may ask?

Les: Somebody called [Colin Jones] who is with Volvo, that's a long story too, and it wasn't always the plan, or the most ideal way of running the Chamber, but actually, it works quite well because he's a big company man, he works for a big company, he has lots of views about what the big companies want from the Chamber. Whereas I'm much more, I see much more, how difficult it is for the regular companies here. At the end of the day if something goes wrong here in this country, the big companies will pull out just like. Volvo, if they left, if things went a bit awry here, or if the, they'd close down here and go. It's no big deal. They'd just move to Poland and carry on like that. Whereas for the SMEs who are investing into the country and putting a lot of time and years and so on, if something, if the economy started to really go downhill, we're here to stay and we've got issues that big companies don't really need to deal with. It's quite good to have, even though we fight a lot, we also, we sort of get on quite well outside of the Chamber, but generally if he says lets do it black I'll say lets do it white. Not because of being bloody minded, we just have such opposing views on everything, but it actually makes for quite a good balance around the table. If I was just the chairman and was always saying, "ok, we're going to do it black", you know, I'm not always going to be right. It's quite good. I spend lots of time on it. We're just bringing in a code of conduct for companies, um...

Andy: Business ethics.

Les: Business ethics, yeah. lots of companies that are moving over, British companies looking to do business here will ring up the Chamber of

Commerce and ask, “can you recommend this company?” The Chamber of Commerce will say, “we can’t recommend or otherwise, they’re a member of the Chamber”. What we’re trying to say is, all of our members have the opportunity to sign up to this code of conduct which says that they behave in a certain manner which is how you would behave in England. How to behave towards your employees or your suppliers or those sort of things. If we say that we sign up to that code of conduct then someone ringing up the Chamber and saying, “can you tell me about this company?” they can say, “well they’ve signed up to our code of conduct”, which generally means that they behave in the way that you would expect of an English company. If a company doesn’t want to sign up to it then that’s not always going to look so good. In order to sign up to it they have to meet some quite tough requirements which I think is right. There are two companies in the Chamber of Commerce who are big crooks and I don’t think they should be there. We can’t just throw them out, they pay their dues, they’ve been a member for a while, so what...

Andy: What field are these companies in?

Les: One of them is an engineering company and one is an accounting firm. An accounting firm that specialises in tunnelling money.

Andy: Really? Are they big international firms or...

Les: No, no. Smallish here, but the companies that they work for are some of the serious ones. Unfortunately in my life where I’ve got involved in some PR things I come across some of those things, which on the one hand makes for quite an interesting life sometimes, but on the other hand you see some pretty unsavoury things going on and I don’t think that they should be members. When it comes to time to sign up, on the 1st January, when members are offered this option, they probably won’t be able to sign up. Which is no bad thing, but if they do sign up then they have to meet with certain things. It’s like sort of, 4, 3 strikes and you’re out. If we get three complaints about one of our member companies and we then will ask them to come in and explain themselves, we then have

the right to ask them to withdraw as a member of the Chamber. Which I don't think is a bad thing, it's not totally signed and sealed yet as obviously all the lawyers and things are rushing around saying, "wuuuuurrrrrrr, you can't do that, can't do that", but I think it's, somehow just trying to say that we want...British companies are known to behave well generally and we want our member companies to do that. So we're trying to do that, we're trying to join forces with a few of the other Chambers a bit more and work together a bit more with them because the British Chamber on it's own can't do an awful lot, but if all of us join up we're certain of lobbying things, you know, yeah. Then we can definitely have an effect on the government with some things and gradually, still doing some events, but instead of just a good excuse for a piss up, doing some more educational things structuring it more and saying, "well this is an event for top managers". We had a lunch with Martin Roman who is the boss of ČEZ here, the Czech, um, Czech Energy. He's an interesting young Czech guy, so he was a speaker at the lunch at that was directed to all the top managers of all our member companies, but then the next week we did a morning about, um, something to do with accounting regulations, how to do this and how to do that, which is then directed at financial people. We sometimes do human resources seminars, so they are educational and not just having events just for the sake of drinking and you know, getting wrecked together.

Andy: Yeah it's more tailored towards the individual groups.

Les: Yeah, trying to accept that we've got lots of different groups. It has changed since it started, we had 100 members in 1995, and they all wanted the same thing. Well that's not the case any more. It's mad to do it, and if I said I probably spend 20 to 30 hours a month on it, which is an awful lot of my time that I can't really spend. If I ask myself, "why am I doing it?" I have no idea! Other than to sort of, I dunno, sort feel as if you're doing something decent really, trying to, if nothing else, living here for all this time I've learnt quite a lot and rather than, and to be able to pass what I've learnt on to other people and make their lives a bit easier.

Andy: There's a definite difference between the guys who have been here for 10, 12 years and those who have only been over for a year or two...

Les: It's a different type of people who are coming here now anyway...

Andy: Quite often they're on like short two year placements...

Les: ...and there're different types. People who came here in 1991 were mostly mad, they were either working for a big company and the company didn't know what to do with them and they weren't fitting in in London so lets send them to Prague and see what happens, or they were useless, so send them to Prague and see what happens, or it was people. I'm now like a sort of marketing guru, kind of thing, and up to about 2 years ago I felt as if I was a complete fraud really, because I haven't done marketing training and been to University and learnt about communications like some of the people here have. I've got friends here who, one guy who's doing a business here who was a qualified architect, and then a surveyor who's now a stand-up comic and, weird things that change your life. It's this sort of Wild West sort of people who were coming in those days...

Andy: ...very pioneering...

Les: Yeah, and after a few years you'd see the big companies were taking it seriously, so we need to start sending somebody good over there, and then the last two or three years it's been kind of normal, European office, where you might send somebody who's three or four years out of college, for a couple of years before they go on somewhere else, and younger, more inexperienced people are coming here more. Different types of people arriving. A guy I know here well who's a client, who's young, said to me one day, that he wished he could go somewhere as his next job where he can have the same experiences as I had when I came here. I said, "well you wouldn't be able to find anywhere like that now", I don't think anywhere, even in the darkest depths of Afghanistan you can use a

mobile phone. Probably you can use a computer. The technology itself throughout the whole world is now so different to how it was in 1990 that nothing could ever be the same anyway. We had no mobile phones here, we had no phones for God's sake! We had nothing until 1994, 1995. Even if you look at things like communism, that this was a sealed up country, there were so many things that they only got, how can that ever happen again? Every household has a laptop or has a computer, one in two households in the Czech Republic has a computer. Unless a communist regime went through the whole country and took away all the computers you could never stop people from getting information any more. So much of our lives in the old days were so tough because of the lack of any sort of service, of any sort of information, any sort of ability to get hold of people, to talk to people, that would never be the same again.

Andy: Well I think um, I might wrap it up now.

Les: Otherwise I'll talk forever!! Have you got enough?

Andy: Thanks very much for your time Lesley.

Les: My pleasure.

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