

**UNIVERZITA PALACKÉHO V OLOMOUCI**  
**FILOZOFICKÁ FAKULTA**

**Opportunity for everyone?**

*The issues regarding the relationship between financial  
and social capital of international students*

Bakalářská diplomová práce

Olomouc 2021

Vendula Pokorná

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KATEDRA SOCIOLOGIE, ANDRAGOGIKY A KULTURNÍ ANTROPOLOGIE

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Autor práce: Vendula Pokorná

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Olomouc 2021

Prohlašuji, že jsem bakalářskou diplomovou prací na téma "Opportunity for everyone? The issues regarding the relationship between financial and social capital of international students" vypracovala samostatně a uvedla v ní veškerou literaturu a ostatní zdroje, které jsem použila.

I hereby declare that I have composed my bachelor thesis "Opportunity for everyone? The issues regarding the relationship between financial and social capital of international students" solely myself. Except where states otherwise by reference or acknowledgement, the work presented is entirely my own.

In Olomouc

Signature

### **Poděkování**

Poděkování patří všem studentům, kteří byli ochotní věnovat mi svůj čas, podělit se o své zážitky a zkušenosti, a nechali mě nahlédnout do svého Erasmáckého života. Dále bych chtěla poděkovat rodině i přátelům, kteří mě podřželi ve všech nelehkých chvílích, a nevzdali to se mnou. A samozřejmě děkuji i doktoru Jaroslavu Šotolovi, vedoucímu mé bakalářské práce, za cenné rady, kritiku, ale i tolik potřebnou motivaci, které se mi od něho vždy dostalo.

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## Anotace

<b>Jméno a příjmení:</b>	Vendula Pokorná
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<b>Obor studia:</b>	Aplikovaná ekonomická studia – Kulturní antropologie
<b>Obor obhajoby práce:</b>	Kulturní antropologie
<b>Rok obhajoby:</b>	2021
<b>Název práce:</b>	Příležitost pro každého? Problematika vztahu mezi finančním a sociálním kapitálem u zahraničních studentů
<b>Anotace práce:</b>	Práce se zabývá vztahem mezi sociálním a finančním kapitálem. Jedná se o kvalitativní studii zaměřenou na studenty programu Erasmus+, kteří se rozhodli studovat jeden nebo dva semestry na Univerzitě Palackého v Olomouci. Tito studenti přijeli do Olomouce finančně zabezpečením, ale s minimálním sociálním kapitálem. Studie se zabývá motivacemi, které mají studenti ke své účasti na zahraniční mobilitě, vývojem jejich sociálního a finančního kapitálu, a situacemi, při kterých můžeme pozorovat zisk nebo ztrátu obou kapitálů.
<b>Klíčová slova:</b>	Erasmus+, mobilita studentů, studentský život, sociální kapitál, sociální síť, kulturní povědomí, komunikační schopnosti, finanční kapitál, stipendium, behaviorální ekonomie, vztahová práce, ekonomická antropologie, COVID-19 pandemie

**Názvy příloh vázaných**

**v práci:**

Myšlenková mapa zaměřená na život studentů Erasmu, způsoby trávení volného času a osobnostní změny

Tři myšlenkové mapy zaměřené na pocity studentů Erasmu, způsoby šetření finančního kapitálu a jejich vnímání peněz a útrat

**Počet literatury a zdrojů:**

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**Rozsah práce:**

108 598 znaků (včetně mezer)

## Annotation

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<b>Program of Thesis</b>	
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<b>Title of Thesis:</b>	Opportunity for everyone? The issues regarding the relationship between financial and social capital of international students
<b>Annotation:</b>	The thesis deals with the relationship be- tween social capital and financial capital. It is a qualitative research aimed at the Eras- mus students, who decided to study one or two semesters at Palacky University Olo- mouc. The students arrive to Olomouc finan- cially secure, but with minimal social capital. The study inquires into the students' moti- vations for participating in Erasmus mobility, the flow of their social and financial capital, and in what situations gaining and/or loos- ing each capital takes place.
<b>Key Words:</b>	Erasmus+, Student Mobility, Student Life, So- cial Capital, Social Network, Cultural Aware- ness, Communication Skills, Financial Cap- ital, Scholarship, Behavioural Economics, Relational Work, Economic Anthropology, COVID-19 Pandemic

**Titles of Annexes**

**in Thesis:**

Mind map focused on Erasmus students' daily life, ways of spending free time and their personality changes

Three mind maps, focused on the feelings of the Erasmus students, the ways of saving financial capital, and the students' views on money and different expenses

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32

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## Introduction

The relationship between social and financial capital can be at first unclear and indirect. These two capitals can be described as coming from two distinct spheres - the market, where goods and services are bought or sold for money, and domestic life, where intimate relations take place. One might consider this duality to be mutually incompatible (Hart, 2005).

However, the relationship between the capitals is at the same time undeniable. One of the capitals can either help obtain the other one, or it can cause its loss. Erasmus students are especially noteworthy group for studying this relationship – they arrive to a foreign country with considerable financial capital, but with negligible social capital. By the end of their studies abroad, they should be leaving the country with substantial social capital and a lesser amount of financial capital. This might implicate that during the Erasmus period the financial capital is transformed into the social capital. However, my research shows that the flow is not as straightforward, and we can find several variations of the relationship.

At first, I take a look into the theoretical concepts to which I refer in my study. At the beginning it is necessary to define the financial and social capitals. The financial capital I view as financial wealth, which the students have at their disposal. The social capital I define as consisting of two spheres. That is the social network, which students continually develop and maintain, and social skills, including communication skills, using English as a lingua franca (ELF), and cultural awareness.

Later I describe several economic theories. I start with the neoclassical economic theory, which could be currently the most broadly accepted theory. It assumes people are fully rational and make rational decisions. However, this theory is more suitable to the aggregate level analysis. On the individual level it loses its relevance. To explain the economic behaviour of individuals, which is more important to my study, the following theories work better. These are the behavioural economics, which turns away from individuals as rational beings and proves that people are far from being fully rational. Then the relational work theory, which focuses on the interpersonal relations that can influ-

ence an individuals' decision-making.

The neoclassical economic theory and the behavioural economics could be compared to the debate between the formalists and the substantivists and their approaches to economic anthropology. I will show how the Erasmus students' behaviour changes due to the environment, which is different from what they are used to. The students come from different countries, but for all of them the settings in the hosting country are more or less new and unknown. Thus in terms of economic anthropology my study is in support of substantivists' approach.

Secondly, I move to the methodology of my research. I pursue qualitative research using grounded theory methodology. I chose this approach since the topic of my research is not suitably described yet. My aim is to grasp it and deeply understand the Erasmus students' viewpoints on their social and financial capital, their motivations for decision-making and handling of the capitals. Altogether I conducted half-structured interviews with 15 participants. I analysed my data with open, axial and selective coding.

Finally I present the findings of my research. I begin with explanation of financial and social capital separately, how the students treat it, how they obtain or lose it, and what each capital flows are in effect. After understanding what the social and financial capital is not only in theory, but to the Erasmus students, I move to transfers and relationship between the capitals. Progressively I present situations in which the students are:

- getting social capital and saving financial capital,
- getting social capital and losing financial capital,
- strengthening social capital and saving financial capital,
- strengthening social capital and losing financial capital, and
- losing social capital and saving financial capital.

In the conclusion I emphasize the most important points of my research. I state again the particular situations, where the different variations of the relationship between the capitals take place. Lastly I summarize the analysis of

the directness of the relationship, the extent of effort and the causes, which can be either external or internal.

# 1 Research goal

In my study I want to focus on the relationship between financial and social capital among international students. I want to discover how they influence each other, transform each other, and what impact they have on their bearers in such inter-cultural environment.

I aimed my study at international students, studying at Palacky University Olomouc. Most of the international students are participants of the Erasmus+ program. I believe these students are a remarkable group for such a study. In large measure they go on Erasmus alone, or with one or two friends. On the other hand, most of them arrive with scholarship offered by the European Union, which is supposed to cover part of their overall expenses. Students can decide whether they want to study in foreign country for one or two semesters. Considering these facts, Erasmus students arrive to the foreign country with no or very little social capital, but with substantial financial capital. Furthermore, their time abroad is limited, since the maximum length of stay is two semesters.

From the beginning of the Erasmus period the students are put in front of many decisions. They have several options of spending their free time and possibilities to increase their social capital. At the same time they have to manage their finances well, in order to cover all the expenses and avoid depleting their reserves too early.

My priority is to grasp and explain students' approaches to social and financial capital, their priorities and variability of their decision-making. I want to comprehend the ways they handle their finances, when they do not hesitate to invest money and which expenses they consider unnecessary.

My research was highly influenced by the emergence of COVID-19 pandemic. The first wave hit students during the spring semester of 2020. These students had to reconsider their lifestyle and whether they want to stay in the the Czech Republic or return back home. Students arriving the following semester had to rethink their possibilities as well. I want to understand their motives for taking these decisions and what changes appeared with handling social and financial capital.

My goal is not to generalize my findings to all Erasmus students. I want to deepen the understanding of the dynamics between social and financial capital among my participants and expand on this topic. I want to start a discussion concerning these issues and instigate further research.

## **2 Research questions**

### **CENTRAL RESEARCH QUESTION:**

- What is the relationship between social and financial capital of Erasmus students?

### **SUBQUESTIONS:**

- In which spheres is the relationship strongest? Where is the relationship in contrast weak or non-existent at all?
- To what degree were the financial expenses or possible income an important factor during daily decision-making?
- Did any change occur with the beginning of the COVID-19 pandemic?

## 3 Theoretical background

### 3.1 Defining capital

Capital can be understood in several ways. In compliance with the commonly used viewpoint, we can describe capital as anything granting value or benefits to its owner. That means for example business' finances available for daily operations and future growth (Hargrave, 2021). In general, we could say that capital is wealth in any form (Oxford, 2009). Capital can be also compared to a sort of energy or engine, which creates value and utility, which can be used immediately or stored for a later use (Godfrey, 2013).

Capital can assume several forms. Pierre Bourdieu in his paper "The Forms of Capital" (1986) distinguishes mainly social, cultural and economic capital. Although he speaks about additional forms as well, these three are the most essential for my thesis.

ECONOMIC CAPITAL is defined as means of exchange or other assets, which can be directly converted into accepted means of exchange. According to Bourdieu (1986), it is possible to transform economic capital into social or cultural capital, as both of these forms are rooted in the economic capital. In order to execute such a transformation, we need to involve enough effort and the kind of power, which is required in the specific field.

CULTURAL CAPITAL can appear in three different forms. These are: embodied state, which refers to personal skills and abilities; objectified state, which includes pictures, books, or other so called cultural goods; and institutionalized state, referring to academic qualifications (Bourdieu, 1986) .

Embodied state of cultural capital can also be found under the term human capital. We can *"think about human capital as primarily knowledge resources embedded in people, whether that knowledge comes from formal education or on-the-job training."* (Godfrey, 2013, p. 17)

SOCIAL CAPITAL means a network of acquaintances, a recognized membership in a certain group of people, which is to some level institutionalized. The size of the capital depends on the size of that group, and the benefits, resulting from being recognized as a member of the group, on its prestige, material



possessions, and mutual solidarity (Bourdieu, 1986).

Another significant conception of social capital is provided by Putnam (2001, p. 1). According to his interpretation the main idea *"is that networks and the associated norms of reciprocity have value. They have value for the people who are in them, and they have, at least in some instances, demonstrable externalities, so that there are both public and private faces of social capital."*

These three forms of capital, in Bourdieu's point of view, can affect its environment only through a process called a symbolic translation. That means, in order to be effective, the capital needs to be recognized (Siisiainen, 2003).

Together with the symbolic translation, the question of symbolic power comes. Such power is held by anyone, who can determine the meaning or shape the socially accepted translation of concrete forms of capital. Therefore, symbolic power can have great impact on creating and regulating social networks and thus social capital (Siisiainen, 2003).

The role of power creates significant difference in Bourdieu's and Putnam's conception of social capital. According to Bourdieu, the motivation for creating and maintaining social capital is profit resulting from the capital. As the amount of benefits is limited, all the involved agents are compelled to use their symbolic power. The power within the network is not evenly distributed, and that inevitably leads to inequality. Putnam, in contrast, considers the basis of social capital to be the amount of trust shared between the agents (Tzanakis, 2013). *"The theory of social capital presumes that, generally speaking, the more we connect with other people, the more we trust them, and vice versa."* (Putnam, 1995, p. 665)

However, neither of the concepts described above are fully suitable for my thesis. I focus on networks of Erasmus students, where power has little influence. The incoming students are all in the same position. They arrived with different backgrounds to a new, unknown environment, and only there they start building their identity. Power or inequality might come into question when looking into the the relationship between the foreign student and local settings. They might be disadvantaged due to minor familiarity with the language or university, or lack of opportunities for accommodation. Neverthe-

less, the students between each other do not experience such problems. In my research particularly power and inequality did not emerge as important factor. This makes the definition of Bourdieu less relevant.

Putnam's definition is more suitable, but still not satisfactory. Putnam tries to find a single measure, which characterizes the existence of social capital – trust. He generalizes trust as something equally shared, which can be measured on the level of a whole group, or even a region or a country. Individual level is largely ignored (Tzanakis, 2013). I try to consider more such measures, which support building and maintaining social capital between students.

I want to understand social capital the way the Erasmus students do. Social capital is something the students came for, it is one of the most important motivations for them. *"Most of them seem to share similar goals in the initial phase: a quick reconstruction of social network"* (Van Mol & Michielsen, 2015, p. 433). Additionally students need to have and/or develop social communication skills, in order to build such network (Murphy-Lejeune, 2003).

Considering these claims, I need to include in my definition of social capital both social network and social skills. Such concept is, for example, provided by Glaeser et al. (2002). For their paper they defined social capital as both personal social skills, whether innate or learnt, and social network, gained as a result of continual effort and investments. I approach social capital as bonds, which students build with each other, and social communication skills. By that I mean particularly those applicable in international and multicultural environment, which they develop during their exchange period, together with cultural awareness and prejudice avoidance.

### **3.2 Variability in economic theories**

NEOCLASSICAL ECONOMIC THEORY assumes that each person is a rationally thinking individual, who is striving to maximize their satisfaction. They do so by fully rational and accurate decision-making process, which leads them to obtaining the most personal benefits. This assumption is close to the formalists' point of view. They further claim that this *"economic rationality of the maximizing individual was to be found in all societies, in all kinds of behaviour"* (Wilk

& Cliggett, 2018, p. 12)

One of the key concept of neoclassical economic theory is the utility theory. Utility means the level of satisfaction, which a person will get by consuming certain good or service. In order to measure the utility, economists set up a unit called "util", which symbolizes *"the amount of psychological satisfaction a specific good or service generates for a subset of people in various situations"* (Boyle, 2021).

In order to maximize utility, people allocate their economic capital so that they will gain the most satisfaction. Before purchasing a good or a service, people compare the utility, the price, and what other alternative options they have – there might be a cheaper product, which generates the same utility, or product of the same price, but generating more utility. After considering all the options, they decide the purchase.

BEHAVIOURAL ECONOMICS holds a contrasting viewpoint on the motivations of human action. It rejects the assumption of fully rationally driven decision-making. Behavioural economists consider psychological factors, emotions, force of habits etc., when studying economic behaviour. They want to show that these factors do not lead individuals to maximize the utility, but they are still undeniably part of human nature. Such viewpoint is to some extent in harmony with substantivists' claims. They emphasize the relativism in human behaviour, the influence of different social structures and institutions, and thus the variability in economies (Wilk & Cliggett, 2018).

At first I would like to point out the prospect theory. It was developed by Kahneman and Tversky (1979) and it provides a different perspective on the price and value. In comparison to the utility theory, they argue that people judge the amount of utility not in absolute terms, but in relative terms. We have to consider the current wealth and the expected change, we cannot leave out the context in the analysis. Further their findings shows that people are loss aversive. It means, that *"we dislike losses more than we like an equivalent gain: Giving something up is more painful than the pleasure we derive from receiving it."* (Samson, 2014)

Following the prospect theory, Kahneman (2011, p. 20 – 21), in frequent collaboration with Tversky, came up with another, broad concept. It is the concept

of two systems of judgement – System 1, and System 2. The difference is that *“System 1 operates automatically and quickly, with little or no effort and no sense of voluntary control. System 2 allocates attention to the effortful mental activities that demand it, including complex computations. The operations of System 2 are often associated with the subjective experience of agency, choice, and concentration.”*

Last theory I want to explain from the field of behavioural economics is mental accounting. Classical economists have always treated money as fungible. That means, there is no label on the money restricting the possibilities, where people can spend the money (Thaler, 2015). We can pay the same thing with one five euro bill, which we earned at work, or with five separate one euro coins, which we won at lottery. However, only in the case of fully rationally thinking beings would there be no difference. According to behavioural economists *“people treat money differently, depending on factors such as the money’s origin and intended use”* (Samson, 2014).

For the analysis of my research the findings of Thaler (2015) are especially relevant. He states that people treat money according to the label, which they put on them, and also according to the length of time they are saving them. People spend more easily recently gained money, and they dare taking greater risks with them, compared to the money which they save for years. This is important for my case, because Erasmus students get their scholarships all at once, usually early before the first day of their exchange period, or within few days.

RELATIONAL WORK is a process, where *“actors engage in interactional efforts, intentionally or not, that help clarify the nature of their social relations, specific economic exchange at hand, appropriate media of exchange, and their expectations of each other along all of these dimensions”* (Bandelj, 2015, p. 233). Relational work is an on-going creative effort, which people keep doing in their social network. People keep establishing new interpersonal relations and negotiating, transforming the existing ones (Zelizer, 2012).

The process itself occurs in four variations, as described by Tilly (2006). The first one is undeniably creating new relations, when agents meet in the first mutual interaction. Second follows the confirmation of an existing rela-

tion, which depends on whether both sides are willing to continue the initiated relation. Then there is negotiating the shared definitions of the relations at hand, and repairing relations, which have been damaged.

Relational work provides us with an alternative viewpoint on mental accounting. In compliance with behavioural economics the main motive for avoiding hasty depletion of long-lasting savings is time. The longer we save, the less we are inclined to spend the money without cogent reason or for different purpose than previously determined. Relational work proposes additional explanation with the concept of relational earmarking. This theory focuses on social network and interpersonal bonds, instead of individual cognitive process. It states, that we tend to spend our savings much less, if we know it will damage an important long-lasting relationship. A case in point would be when parents save for their child's university. This fund demonstrates strong family ties. Depleting such a fund by one of the parents is something unthinkable and it would cause serious damage in the family relations (Bandelj et al., 2017)

### **3.3 Erasmus+ mobility**

Erasmus+ is a European Union's program, which was established to support education, professional training, youth activities and sport in Europe. It is managed by The Education, Audiovisual and Culture Executive Agency (EACEA) on the international level, and by National Agencies on the national level. Whole program consists of three "Key Actions", and two additional actions. These so-called actions are:

- Key Action 1: Mobility (Learning mobility of individuals)
- Key Action 2: Cooperation (Cooperation for innovation and good practices)
- Key Action 3: Policy (Support to policy reforms)
- Jean Monnet (Supporting teaching, studies and debate on the EU)
- Sport (Promoting the development of the European dimension in sport)

The Erasmus+ program should enhance the quality of education within the European Union and increase the attractiveness of higher education in EU countries. Further, its aim is to improve understanding and communication in inter-cultural environment, sustainable and broader socio-economic development, and finally knowledge circulation (Schulz & Leškevičius, 2013). The system works as follows: the EU gives financial support to students, which enables them to study one or two semesters abroad. During their stay, students use their money for further education and personal development, they gain communication skills, cultural awareness, and expand their comfort zone. The EU thus gets more skilled and competent citizens in return for the financial investment.

The broad benefits of Erasmus+ are undeniable. Nevertheless, confirming its efficacy is difficult as measuring the goals mentioned above can be easily affected by confirmation bias. For instance, Erasmus should left its participants well disposed towards European Union. However, these students are mostly supporting the Union even before their stay abroad (Sigalas, 2010b). Same problem can emerge in other features as well.

Students can decide to apply for Erasmus grant from several reasons. There are some common motivations, such as improving language, improving chances for future employment or meeting people from other countries. On figure 1 we can see some regional differences, which were found by Brandenburg et al. (2016).

In order to keep the full amount of received scholarship, students have to fulfil their study obligations. They have to obtain at least 20 ECTS credits at foreign university. In a case they do not get this number of credits during the Erasmus, they have to return the appropriate part of the scholarship. The sending universities often adopt one of two strategies. First, the student gets 100 % of the scholarship at the beginning, and if he does not get 20 credits, he has to return some money. Second, the student gets 80 % at the beginning, and after he prove the fulfilled study obligations, he gets the remaining 20 %. This way, students are motivated to study and the EU scholarship is not wasted.

## Regional results for reasons to go abroad

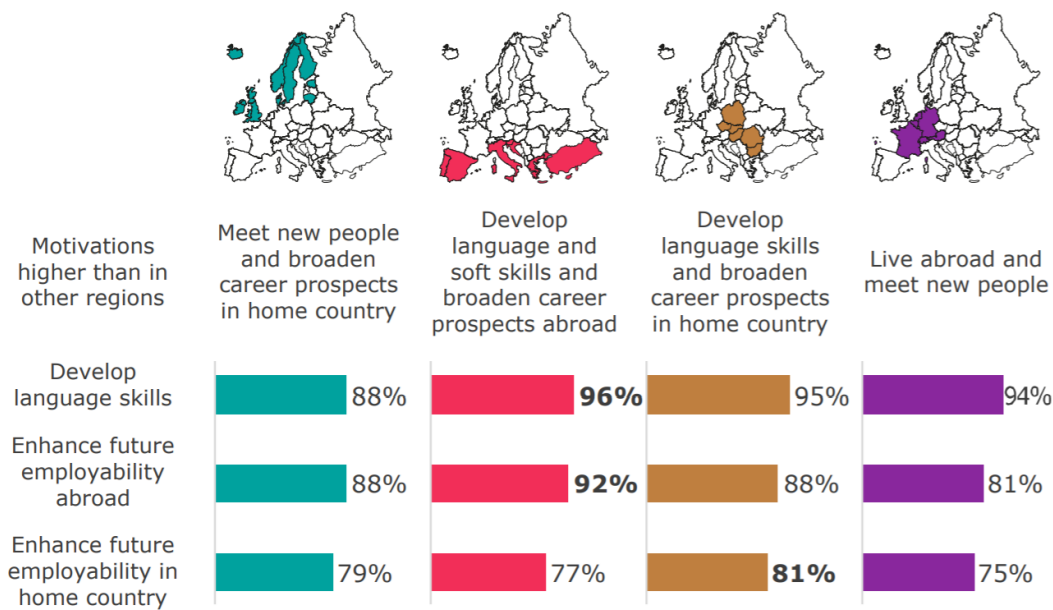


Figure 1: Results for reasons to go abroad in northern, southern, western and eastern Europe, adapted from Brandenburg et al. (2016)

## 4 Methodology

### 4.1 Research design

For my thesis I have chosen a grounded theory design. A grounded theory study should generate a new theory, which is suitable, tailor-made, for the given case of the study. It is aimed at *"building theory grounded in data"* (Corbin & Strauss, 2007). Using data obtained from individuals, researchers should analyse actions, interactions and other processes from the field, and generate a complete theory (Creswell, 2007).

I use grounded theory design because there is no theoretical concept sufficiently relevant for my study. I have not found any framework, which would adequately describe the relationship between social and economic capital, when concerned individuals have limited time (ranging approximately between 4 – 10 months), which they spend in the environment, and a limited budget.

When I started my study, I have already had some insights into the issues regarding Erasmus+ mobility. I have spent 2 semesters in University of Turku in Finland as an Erasmus student. This is where I noticed for the first time the

issues concerning limited budget and strong will to socialize. This was intensified by the fact, that the price level in Finland is higher than the price level in the Czech Republic. We had to choose carefully where and how often do we want to socialize with other students. The budget was simply not enough for everything we wanted to do. However, skipping some activity could mean missing out an opportunity for meeting new people or creating a memorable experience with existing friends. The decision-making was not easy in my case and I wanted to explore this problem further.

My personal experience gave me an advantage, because of some previous knowledge and orientation in the environment, as well as limitations. I could imagine how the life during Erasmus goes and I could set up my research questions better. However, I had experience from different country, which have a different price level, a different study system, different opportunities for accommodation etc. My subjective viewpoint was based on a setting, which is distinct from the one in the Czech Republic, where I conducted my study. In this case, subjective experience of a researcher can seem to be less valid, compared to already developed and more objective theories. On the other hand, *"the touchstone of a potential researcher's experience may be a more valuable indicator of a potentially successful research endeavour than another more abstract source"* (Corbin & Strauss, 2007, p. 23).

Reaching objectivity is nearly impossible in qualitative research, however, we should still aim for sensitivity. That means, we should strive to grasp our data in the field and during the interviews as well as during the analysis. This way we can develop theoretical concept, which we created from our own intellectual and emotional understanding, which is at the same time based on the data (Corbin & Strauss, 2007).

## **4.2 Collecting data**

I found participants for my study in several ways. Many of them I asked personally, when I visited events organized for Erasmus students. Others I reached online, through Facebook, Instagram or email. I got these contacts from my friends or other students of Palacky University Olomouc.



When the students confirmed they are willing to participate in my research, we agreed on a place and a time for the interview. I always asked the students, whether they favour any location for the meeting. My aim was to make them feel as comfortable as possible, so they could make their choice, according to their preferences. Some of them picked the place themselves, while others asked me to decide. That was mostly because they did not know the city so well, or because they saw it as an opportunity for discovering a new place, where they could spend free time later with their friends.

With all my participants I have conducted half-structured interviews. I had several topics, which I wanted the students to speak about, but I also let them enough free space to talk about anything else, if the conversation got there. Sometimes even seemingly unrelated topics later proved to be very interesting for my study. My aim was to make the students feel relaxed and not very formal, so they were not afraid to talk about their experiences freely.

I changed the basic structure of the interviews few times. That was either because I got some new initiatives from previous interviews, or because of changing external conditions. However, I could generalize all the used variants into two versions. First is named "interviews before lockdown", which means a period when universities and shops were opened, and travelling was possible. Second one is named "interviews during lockdown", with all the facilities and national borders closed. This version is very similar to the first one, so I just describe which topics I had to change or add. The versions go as follows:

## 1. INTERVIEWS BEFORE LOCKDOWN

- Introduction
  - Country of studies, study program
  - Motivations for Erasmus, reason for choosing the Czech Republic
  - You spent a lot of time preparing for Erasmus, you spent a lot of money there, so what do you expect to get back in return?
- First days

- What were your first impressions, when you arrived?
- Buddy program
- Finances
  - Income and expenses
  - Would you go abroad even without the scholarship?
  - Are you buying more of some product here? Or less?
  - Imagine a situation, where your budget for a month would be smaller. What would you do? And what if it would be bigger?
  - Do you have something like guilty pleasure? And what do you thing could be in contrast your meaningful purchases?
- Accommodation
  - Where and why
  - Room – shared or private?
  - Is it worth the price?
  - Advantages / disadvantages
- Food
  - Where and why (cooking, using menza, eating out)
  - Is more important the price or the quality?
  - Imagine, you want to go to buy food to a cheap shop. Then, your friend says that he/she is going to other shop and offers you to join him/her. However, this store is more expensive. What would you do?
- School
  - General opinion, differences
  - Did you find any friends at school?
- Free time
  - Where, why, how
  - Travelling – preferred places, people
  - ESN – opinion

- Party

## 2. INTERVIEWS DURING LOCKDOWN

- Erasmus
  - What were your first thoughts when you learnt about the lockdown?
  - What were you expected to get from Erasmus? Do you think you get it even with pandemic?
- Finances
  - Did your expenses changed after the lockdown started?
- Accommodation
  - Were there any changes of the life in the dormitory, after the lockdown started? What has changed?
- School
  - How do you manage the school?

Part of some interviews was also compiling a pie chart further completing the information about students' funds and expenses. At first I completed the charts only with those participants, whom I met in suitable conditions (for example in a café). Other students I tried to reach afterwards through social media, asking if they could tell me the missing information. I received a positive answer from most of them, but few students did not reply. Thus I do not have the pie chart for all of my participants.

These charts function as illustrative tools. It is not possible to compare the charts of two different students, since the total budget is different for each one. The segments of two different charts can mean different amounts of money even when they have the same proportional size. It is important to note that students were filling them up without precise calculations, and thus they are not showing how much exactly the students were getting or spending. They rather illustrate how much the students think they get or spend. For example, an extensive part of a chart coloured as spending for parties means that the

student views themselves as spending a lot on parties, rather than actually spending so much at these occasions.

I reached first potential participants in August 2019. I sent an email to several Erasmus students, explaining who I am, what I do, and asking if they would like to help me with the research. I received back positive answer from two girls, Isabel and Daria. We met in a café, which I personally like, and which I thought might be pleasing also for the students. After the interviews, I got a positive feedback about the place from both of them, so I chose the same location for several interviews later again.

After these interviews, I was invited by Daria to join a pub crawl in November. There I could speak with her again and with other Erasmus students more informally. One girl, Kristin, also agreed on making an interview with me later.

Last two students, whom I interviewed the same semester in December, were Thomas and Adam. These two I approached in a library, where they were preparing presentation for university. They suggested to make the interview together, and meet in a pub, which is close to their dormitory. This was a first interview, which I have done with two participants at the same time. It was more difficult to follow if both of them answered all of the questions, as one was a bit more talkative than the other. However, it also brought some advantages. They interacted with each other, together they recalled more memories and experiences, and when one of them did not mention some point, the other one reminded him.

Next semester, I started visiting National presentations - events organized by ESN, where Erasmus students presented their countries for other students. These events took place every week and they were always well attended, which made it a perfect opportunity for me. Almost all of the students, whom I asked, agreed to participate in my research, and gave me their Facebook or Instagram, so I could contact them. Nevertheless, a lot of them never replied, when I tried to reach them via the social media. From the students, who replied and agreed on the interview, I met with Simon and Frederic separately, and with Iris and Tamara together. For these interviews we met in different cafés within a first week of March 2020.

Later in March, I had to fully revise the way of collecting data, because of the COVID-19 pandemic. In the course of one week, all schools and universities had to close, as well as restaurant facilities, and shops with just a few exceptions. I had to consider several things – how to find more participants, where to do the interviews, and how to change the structure of the interviews. With searching new participants I asked for help my friends and other students from Palacky University. Some of them knew other Erasmus students and provided me with contact on them. Then I had to remake the structure of the interviews. It was necessary to consider the situation during lockdown. With making the interviews I asked the Erasmus students about their personal preferences again. We could not visit any café or pub, so the only possibilities were meeting outside, or making a videocall. Personally I have met only Robin in March, and Daniel in April. With others we made a videocall, that includes Matthew in March, and next semester in October Amy, Dominic and Monica.

These interviews had several limitations, because of the way we had to meet. While meeting outside, we had to wear face masks, or anything covering mouth and nose. By that time this was something completely new for us, and the atmosphere was much less personal, as if we could not trust each other. The online interviews were quite similar. We have never seen each other before, and sometimes internet connection was not ideal, which caused blurry image or lagging video.

All together I conducted 13 interviews with 15 Erasmus students, who were on Erasmus in Olomouc in the time span of three academic semesters. All of them agreed with being part of the study and were approached for the final approval of the presented information.

### **4.3 Participants of the study**

**DARIA** is from Columbia, studying International Governmental relations. She chose the Czech Republic as something different from western Europe, which is generally more famous. She spent 1 semester in Envelopa. Usually she pays 3000 € per semester for her university in Columbia, however, when she is in the Czech Republic, she has to pay only 20 % and the rest she has for her own

spendings. On figures 2 and 3 we can see the breakdowns of her income and expenses respectively.

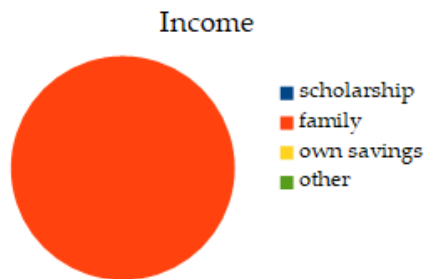


Figure 2: Breakdown of Daria's budget  
Figure 3: Breakdown of Daria's expenses

**ISABEL** is from Georgia, studying masters degree of political science in Germany, where she stayed after her first Erasmus exchange. She felt that she got too comfortable in Germany, so she decided to go to another Erasmus to have some change. She stayed for 1 semester in Neředín. Her budget is 330 € per month. On figures 4 and 5 there are breakdowns of Isabel's incomes and expenses respectively.

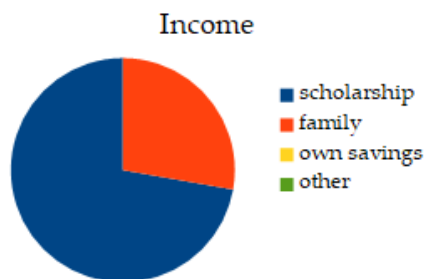


Figure 4: Breakdown of Isabel's budget  
Figure 5: Breakdown of Isabel's expenses

**KRISTIN** is from Hungary, studying at Faculty of Social Sciences. For the first studying abroad she did not want to go far away from Hungary. She spent 1 semester in Envelopa. Her budget was 655 € per month, and she wanted to save around 1000 € during Erasmus. On figures 6 and 7 we can see the breakdowns of her income and expenses respectively.

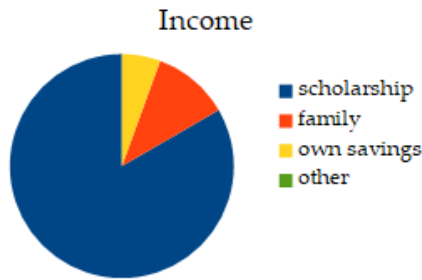


Figure 6: Breakdown of Kristin's budget

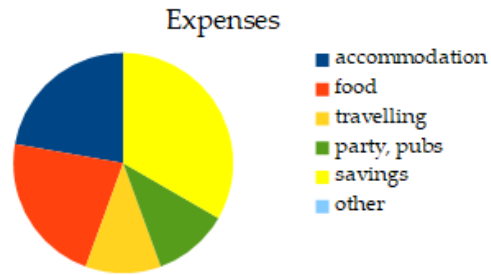


Figure 7: Breakdown of Kristin's expenses

**THOMAS** is from France. He was planning Erasmus for a long time, and wanted to have experience from some different, less known place. He stayed for 1 semester in Envelopa. His budget was around 400 € per month.

**ADAM** is from Germany. He was bored of studying in Germany, and came to the Czech Republic because his parents used to live there. He stayed for 1 semester in Envelopa. His budget is 550 € per month - 100 € from his parents, 200 € as a child support, and 250 € scholarship.

**SIMON** is from Turkey and he is studying at Faculty of Sport and Physical education. Studying abroad was his dream for several years, and he chose the Czech Republic, because he had a good experience with people from this country. At the beginning of the semester at Neředín, but later moved to Envelopa. He had 300 € per month from scholarship, 150 € from renting a flat and some family support. Figures 8 and 9 show the breakdowns of Simon's incomes and expenses respectively.

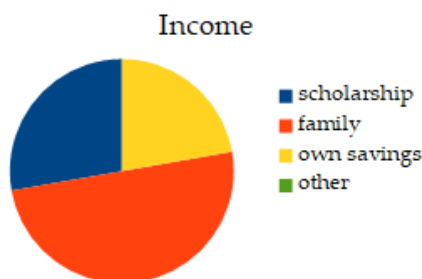


Figure 8: Breakdown of Simon's budget



Figure 9: Breakdown of Simon's expenses

**FREDERIC** is from Turkey, studying Psychology. He wanted to try living

abroad, and did not have many countries to choose from for Erasmus. He spent 1 semester in Envelopa. He does not get scholarship, his family supports him. With that and his own savings he has around 200 € per month. On figures 10 and 11 there are the breakdowns of his incomes and expenses respectively.

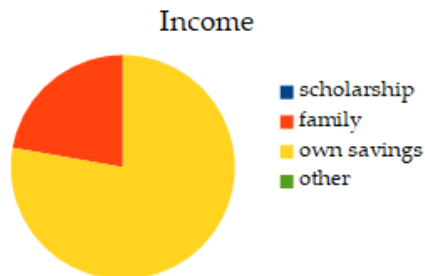


Figure 10: Breakdown of Frederic's income



Figure 11: Breakdown of Frederic's expenses

**IRIS** is from Portugal. She went to Erasmus to improve her communication skills, and because the website of UPOL seemed the most organized, she chose this university. She stayed for 1 semester in Envelopa. Figures 12 and 13 show the breakdowns of her incomes and expenses respectively.

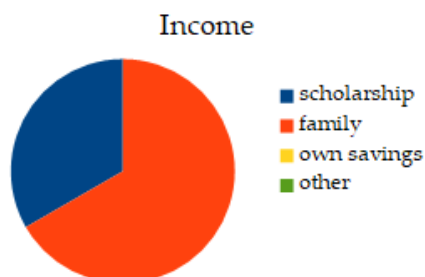


Figure 12: Breakdown of Iris' income

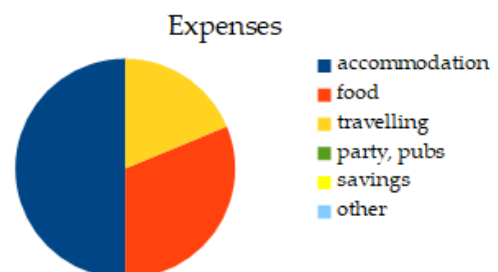


Figure 13: Breakdown of Iris' expenses

**TAMARA** is from Cyprus. She felt like she needs some challenge in her life, especially she wanted to challenge her communication skills. She stayed for 1 semester in Envelopa. On figures 14 and 15 we can see the breakdowns of Tamara's incomes and expenses respectively.

**ROBIN** is from Ukraine, studying at Faculty of Theology. In his university it is a great achievement, to be chosen for Erasmus. He stayed one semester in Envelopa.



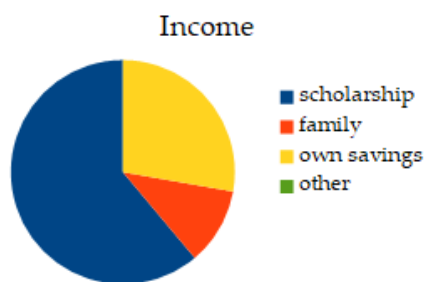


Figure 14: Breakdown of Tamara's income



Figure 15: Breakdown of Tamara's expenses

**MATTHEW** is from France. He is studying medicine, which is long and demanding, so he wanted some change, to study in a different way. He stayed 2 semesters in Neředín. He has scholarship from Erasmus, regional scholarship and his own savings.

**DANIEL** is from Serbia, studying at Faculty of Sport and Physical education. He visited the Czech Republic before, and wanted to see more of the country. He spent first semester in Envelopa, and second semester in Neředín. His budget was 800 € per month, plus salary from his online job. On figures 16 and 17 we can see the breakdowns of the incomes and expenses respectively.

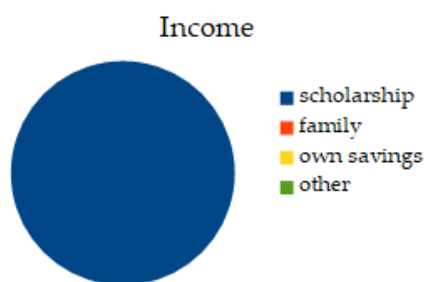


Figure 16: Breakdown of Daniel's budget



Figure 17: Breakdown of Daniel's expenses

**AMY** is from Spain. She was expecting good experience and memories from Erasmus, and wanted to discover another country. She spent 2 semesters in Envelopa. Her budget was 500 € per month (300 € from scholarship, 200 € own savings).

**MONICA** is from Georgia and she is studying geography. She wanted to go on Erasmus as it would help her with a future occupation. Her scholarship is

800 € per month. Figures 18 and 18 show the breakdowns of her incomes and expenses respectively.

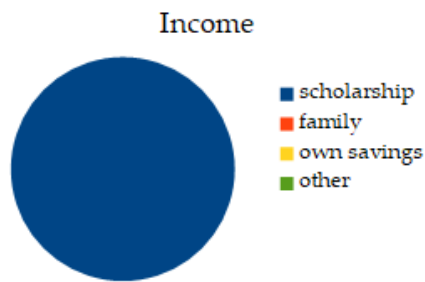


Figure 18: Breakdown of Monica's budget



Figure 19: Breakdown of Monica's expenses

**DOMINIC** is from Georgia, studying geology. He wanted to go on Erasmus for a long time, he saw it as an opportunity to travel and to meet with new people. I spent 2 semesters in Envelopa. His scholarship is 800 € per month, and it is his only income.

#### 4.4 Analysis of the data

I have analysed my interviews with coding, a procedure containing extracting categories of information, interconnecting those categories and developing a suitable concept based on the overall perspective. Coding is *"taking raw data and raising it to a conceptual level. [...] A researcher can think of coding as "mining" the data, digging beneath the surface to discover the hidden treasures contained within data."* (Corbin & Strauss, 2007, p. 66)

The coding process is composed of three phases. The first one is open coding. In this phase I went through transcripts of all my interviews, one at a time, writing down the codes and their occurrence in one separate document. I focused on avoiding simple paraphrasing my participants' words, and move to more analytical approach – to see their words in context, compare it with their other statements. After I got through all the interviews in detail for the first time, I compared them with the coding document once again. I made sure that everything is in order and I did not accidentally leave anything out, and I could move to the second phase of coding.

The second phase is called axial coding. The purpose of this is to identify *"a single category from the open coding list as the central phenomenon of interest"* (Creswell, 2007, p. 160) For the first round of axial coding I chose the most filled, complete codes. I focused on them one by one, writing more notes about them – in what context they occurred, in what situation, what was the driving force for such an action etc.

When I could fully understand each code separately, I started searching connections between them. I created several small mind maps, which I was gradually evaluating while adding more notes and drawing more links. These mind maps helped me with creating broader concepts. Such concepts *"represent an analyst's impressionistic understandings of what is being described in the experiences, spoken words, actions, interactions, problems, and issues expressed by participants. The use of concepts provides a way of grouping/organizing the data that a researcher is working with"* (Corbin & Strauss, 2007, p. 51).

Finishing the first draft of the mind map, I opened my coding document again to finalize the analysis. It was necessary to add some further notes, fill in more relevant codes, to see the whole picture – where are the central agents, intentional strategies and unintentional effects, and how is all of this shaped by the environment. The mind maps can be found in the Appendix 1 and 2. This final phase is called selective coding. Its aim is to develop a final theory, which can comprise all the phenomenons and interrelate the categories (Creswell, 2007).

This whole process creates a sort of narration in researcher's own mind. During the coding he goes several times through personal stories of the participants, so they will most likely lodge in his mind. The coding thus helps with translating this rather descriptive story into an analytic one. It is still researcher's interpretation, but deeply grounded in data (Corbin & Strauss, 2007).

## 5 Research

### 5.1 Financial capital

#### 5.1.1 The flow of financial capital

Most of the Erasmus students are financially supported by the EU. They should receive their scholarship at the very beginning of their stay abroad, and they receive either 100 % or 80 % in a single payment. That means an immediate and considerable rise of financial capital. With only a few exceptions, none of my participants wanted to save part of it for later use, after Erasmus. As I already mentioned, according to Thaler (2015), people are willing to spend recently and effortlessly gained money more easily than long-time savings. Together with the mental accounting theory we can see why is it so easy for the Erasmus students to spend everything. The scholarship is already labelled as "money for Erasmus", and it is received with relative ease. This motivates Erasmus students to spend their scholarship without considering precisely their options. They can use it all to achieve their goals without greater hesitation.

Scholarship, which students get for their stay abroad, is supposed to cover the additional expenses. That means, it should cover what exceed the living costs in their home country. Nevertheless, the scholarships are not distributed in a way that complies with this role. Among my participants, students from Georgia, Ukraine and Serbia were getting considerably higher scholarships, compared to students from Germany, Spain or France. Dominic also noticed this situation:

*"Students from the countries outside the European Union, like Georgia, not in the European Union, I think students from these countries are getting bigger scholarship than the European Union students. So for me and for other Georgians or other Ukrainians, I think it's enough money."* (Dominic)

The price level in western Europe is of course higher than in those countries. However, the difference is still significant. The Georgian students for example had around 800 € per month, while students from Spain or Germany had around 250 – 300 €. This situation implies that students from western

countries need more financial support from their families or their own earnings to cover their stay abroad. That is in agreement with Otero (2008) findings. In his study he described that Erasmus students from higher income countries are often from richer families. On the other hand, there are only a few students with higher socio-economic background from lower income countries.

In the case of my participants, in the groups of both lower and higher scholarships, there were noticeable feelings of financial safety. Students with high scholarship were aware of their wealth, and knew that it is enough for their stay. Students with lower scholarship were often saving their own money beforehand, and/or were supported by their families. supported by their families, or they were saving their own money beforehand. Some of my participants said they were getting money from their family members with explanation, that it is allowance for their Erasmus. In compliance with the relational earmarking theory, students can easily spend all their finances from such sources, as well as the scholarship. The money were designated to be spent during the students' Erasmus, and thus no harm would be done to the personal family ties. In a case students would feel they are running out of money, they could ask their family for more. However, several of the students mentioned that even with this option, they do not want to use it, as they aim to be independent. One of these students was for example Thomas, who said:

*"I have also money I earned this summer, because it's very common to work during the summer in France, so I had money from that. I don't want to... For example, I can ask my parents for more money, it's not a real problem, but I don't want to because I respect them. They are not Rothschild, they are not a bank."* (Thomas)

Erasmus puts students in front of many difficulties, and finances can be one of them. As the prospect theory shows us, when analysing the economic behaviour, the context matters – we have to consider the past income and expected loss. Due to the scholarship, the income is significant. However, the expenses are unknown. Most of the students have never had similar sum of money before. Some of my participants mentioned that it was even their very first time they had to deal with money themselves. Previously they were living with their parents or other family members, and there was no need do the

groceries or pay the rent. Students, who never lived on their own before, do not have any idea how much can food for month cost etc. However, they have to be fast learners, as they have to divide the money accordingly, so they have enough for each month.

At the beginning, the students enjoy their recently obtained money, and do not think a lot about distributing the budget in a sensible way. The first days are full of excitement. The students act more intuitively, spontaneously and System 1, as described by Kahneman (2011), is the prevailing decision-maker. The students are in a new country and they feel they can buy whatever they want. That is partly because of the recently received scholarship, and partly because they have no or a little experience with independent living. Furthermore, an obstacle in realizing the expenses is also the different currency. It takes some getting used to. As the students adapt to these new conditions, the System 2 starts predominating, and they become more reasonable with their money.

Financial situation of some of my participants was significantly influenced by the COVID-19 pandemic. Since all bars, clubs, restaurants or cafés were closed, and travelling was not allowed, they could not spend their money for such occasions.

### **5.1.2 Perception of a price and value**

Before discussing connections between social and financial capital, we have to understand how Erasmus students perceive price, value and money which they have at their disposal. We cannot explore how they handle money without knowing what money means to them. Value used to be under scrutiny of economists, who nowadays only quantify and rank consumers' preferences. The questions focused on the motivations, why do people act the way they act and what do they yearn to achieve, *"have been largely abandoned to anthropologists, sociologists or philosophers"* (Graeber, 2005, p. 439).

Firstly, we look into the perception of value – what is more valuable for the students. In general, they assign higher value to necessary or highly needed things, to new, unknown things, and to enjoyable, desired things or time. By

contrast, unnecessary, well known and ordinary things or time are less valuable.

As necessary the students usually perceive paying for dormitory and for food. They are aware that these things are vital, and thus do not regret purchasing them. Most of my participants mentioned they are trying to keep down the overall expenditure for food, as the high quality food is not as important to them, and they would rather use the money elsewhere. Both of these reasons result in no second thoughts about food purchases.

The new and the unknown is more valuable for the students as it is also more desired. The students come to live in a foreign country partly because they want to discover the differences. They are open to trying new things, because it is what they came for. Kristin described these feelings:

*"When I buy food, the main products like bread and salami and vegetables, I try to buy usually not the cheapest one, because it's very bad quality, but the second cheapest one. That is ok, but not very expensive. But I try to buy local foods like sweets and other things. So if I see something like "Wow, what's this? This is new," then I usually buy it just to try and I don't really care if it's little bit more expensive, because it's new and I want to try it." (Kristin)*

The third category of more valuable products contains enjoyable, desired goods. Also unknown things can be viewed as desired, but in this part I want to focus especially on enjoying time. That is also related to the goals of Erasmus, as the students come to "have a good time". This good time is often one spent with friends. This time is more enjoyed and thus more valuable. For example Frederic mentioned this situation:

*"If I am with my friends and we go somewhere, I don't think about spending money for it. The point is – am I enjoying or not?" (Frederic)*

Concerning price, the generally accepted explanation is that when people are buying products, they compare their prices and their utility. Do they value more the product, or the money they have to give up in order to buy the product? After considering this question and finding the answer, the decision is simple.

Erasmus students are, however, providing the evidence that this decision process is far from being universally applicable. They assign a value to the product according to the utility, as explained above, but they are unable to do so with the price.

My findings show, that evaluating price is strongly influenced by habit. Price of a product should be simply its value expressed in money. However, the value is not always so clearly reflected in the price. Firstly, take a look on the aggregate level. The Czech Republic is an inland country. Due to the geographical position, it cannot easily provide its market with sea fish. They have to be imported. The costs of the import have to be included in the price, which inevitably rises, and cause the fish to be more expensive than for instance chicken or pork. The higher price does not mean that Czech people value fish so much more than other meat. It means fish is a scarce product on Czech market, and the people were left with no other option than getting used to it. The people have learnt the price of fish and it became "normal" for them. If the price drops for any reason, they will consider it cheap and vice versa.

Erasmus students are in the same position. They have grown up in one country and learnt the prices, which are common in that country. Due to the Erasmus they are suddenly pulled out of their usual environment. In the hosting country the habits, the price level and the price differences between products are distinct. During the decision-making process the System 2 loses its determinative word and the intuitive System 1 prevails. The students start to evaluate the price of a product by comparing it to the price, which they would pay for the same product in their country. If the price is lower, they either buy more of that product and enjoy the higher quantity, or they buy the same amount as they would in their country, and derive pleasure from the saved money. These two approaches can be illustrated by Simon and Amy:

*"In Turkey all the fruits and all the vegetables are so cheap and here I pay a lot of money. [...] When you are in a bar, you think "It doesn't matter, I want another beer, I want another beer, because it's so cheap, it doesn't matter we can grab another beer." And you go to grocery and say to yourself that it might be a little bit expensive according to my country, but we paid less money for beer so it doesn't*



*matter.” (Simon)*

*”For example when we went out to a bar, I think the price usually was cheaper in the Czech Republic, but for example relating to food, some kind of food and some kind of drinks are cheaper Spain. [...] We usually bought the same amount (of a drinks in a bar), because then it was really cheap.” (Amy)*

## **5.2 Social capital**

### **5.2.1 Point of Erasmus**

At the beginning we have to take a close look at the core motivations of students, why did they decide to participate in Erasmus+ mobility. Among my participants, these motivations can be divided into two main groups - a need to change current life or habits, and/or curiosity, a desire to explore, discover something new.

The need for change can be aimed either towards a more adventurous life, or towards a calmer one. The first option the students mentioned is seeking challenging situations and personal development. Many students have never lived on their own before, and wanted to become more independent. Others expressed their desire to improve their social and communication skills as well as English language proficiency. One of the students seeking personal development was for example Tamara, and some change of current lifestyle was expressed by Isabel:

*”I want to challenge myself, because I like to challenge my limits. I am a little bit shy person, and not very sociable. So I just wanted to change that and I thought that Erasmus is very good idea for that. I also wanted to meet people from other cultures too, to see... to expand my horizons.” (Tamara)*

*”I also live in a small student city, I think it might be a little smaller than Olomouc, but also like 100 000 people, and I was just feeling that I got too comfortable, like I love the city, but... just wanted something new.” (Isabel)*

By contrast, students looking for a calmer lifestyle seek a rest or an escape. That can be caused by their very demanding university, family problems, or a

general feeling of being tied down. Daria for example described these feelings as a motivation for Erasmus:

*"In Columbia it's 5 years of a bachelor degree, and the first four years were very hard, it's very heavy, the schedule, all the assignments... At least at my university they don't let you have any free time, almost. So I reached the point where I was like... so bored of the university, that I didn't study, or doing anything, so I was like*  
"Ok, I need a break." (Daria)

### 5.2.2 Erasmus lifestyle

The Erasmus students can be looked upon as a group with not the best reputation. A case in point can be a statement from Malet Calvo (2018, p. 5), who refers to Erasmus students as *"the broader, recognisable student-lifestyle community in European cities, very well known for their daily alcohol-fuelled, sexually uninhibited events and parties, and for their strong desire to socialise with the entire community of young foreigners during the stay abroad"*. Such statement can illustrate an impression from outsider's perspective. I want to make clear the story behind this "alcohol-fuelled party lifestyle" from the Erasmus students' point of view. I already explained the core motivations, but to understand the so called "Erasmus lifestyle", we have to know what the students expect from their Erasmus period, what they came for.

One of the most significant expectation among my participants was meeting new people. They see Erasmus as a unique opportunity for meeting people from all around the world. Meeting actual people from other countries means getting trustworthy information about traditions and cultural differences. Simon appreciates this opportunity:

*"We always read journals, magazines, books, and we believe them. We don't have a chance to learn from the real local friends, which is the best. If you want to learn something traditional, you have to learn it from a local person."* (Simon)

The students want to discover the differences, meaning everything distinct from what is ordinary for them. Some of my participants even chose the Czech

Republic for their Erasmus because it is less known, compared to bigger countries in western Europe. It is something unknown and culturally distant from the countries of most of my participants. In addition, considering especially students from other lesser known countries, they want to use the opportunity of Erasmus to spread knowledge about their own countries.

Erasmus lifestyle can be seen as full of parties, alcohol, and giving little importance to university. However, it is a life, which leads to meeting new people from various countries. It leads to fulfilling the students' expectations. My participants concurred that they did not find any close friends through university. They did so mostly through the dormitory, where they organized parties together, or from where they went together to a party in the city.

Of particular importance is the fact, that even though some students come in order to explore the local culture, they form their social network among other Erasmus students. Thus the expectations of discovering different culture is fulfilled in the first place by other students, and only secondarily by staying in the Czech Republic. They do meet Czech students as well, but they create lasting bonds with Erasmus students. *"Exchange students and local students might cross each other's paths at university, but if they do not share the same social spaces frequently, social interaction between the groups seems to remain limited."* (Van Mol & Michielsen, 2015, p. 435)

Finally, it is important to note that not all of the students come with these particular expectations. For some of my participants studying on Erasmus in foreign country was a prestigious thing and a great achievement. For example Daniel and Robin came with these viewpoints:

*"When I wanted to come here, I was really expecting hard work and a lot of knowledge, a lot of serious people that will be competing with everybody, like... good students, good everything... But at the end, nothing. It's really different, it's the opposite."*(Daniel)

*"For a Ukrainian it was really a great achievement, when you can just come here, study here, learn something new and have new experience here... And for me it was really interesting, what I will see in Europe, what new things will I learn, what I can*

*give myself..." (Robin)*

Such students can be then confronted with substantially different reality. In that case, they have the option of reconsidering their position. They can still join the other students and aim for improving their inter-cultural communication skills and increase their social capital. As stated by Glaeser et al. (2002, p. 455), *"a key difference between social capital and other forms of capital is that social capital generates relatively strong interpersonal complementarities in investment. People who belong to groups with more social capital will tend to invest more in social capital themselves."* In case they change their viewpoint and identify themselves with the approach of the majority of students, they can still obtain a lot of benefits. Generally speaking, investments into education and social capital are positively influencing each other, so they can get advantages on both personal development and future occupation (Glaeser et al., 2002). Monica, for instance, emphasized both education and social capital as important goals of her Erasmus:

*"I'm here for study too, but not only for that. I definitely don't want to spend all days at books. I really want to meet new people, because it's the first Erasmus exchange program in my life. And it's of course the first time that I'm studying in English, it will improve my English, too. And it's great too, because it's very important in Georgia to know English very well. And of course have new friends."* (Monica)

### **5.2.3 The flow of social capital**

When students arrive abroad, they have very little social capital. Erasmus can be their very first experience with using ELF, or with communicating with people from different countries. Furthermore, most of the students go on Erasmus alone, only a few come with a friend from their country. Thus they have to start the relational work. As already mentioned, Tilly (2006, p. 50) defined four phases of the work – *"creation of new relations, confirmation of existing relations, negotiating shared definitions of the relations at hand, and repairing damaged relations."* Since the students do not know nearly anybody when they arrive on their Erasmus, they begin pursuing the relational work from scratch.

Especially at the beginning Erasmus students can find great help from their buddies. Buddy is a local student, assigned to the foreign student by ESN. He is supposed to help the foreign students with the adaptation, the study matters and other daily life issues. Buddies and Erasmus students should initiate the relational work before the students' arrival to the host country. They should get in touch through social media, and thus get into the first phase of relational work. The starting purpose of their relation is help provided by the buddy and received by the Erasmus student, in other words the exchange of information. Then both the local and the Erasmus student progressively confirm and negotiate their relation. They decide whether they want to continue the relational work or not, and under what conditions. Most of my participants agreed that they met with the buddies only at the beginning, and after that they lost contact. Some students complained that the buddies did not know the things they asked them about, they were too busy to meet them, or they were not communicative. In such cases, the buddies do not increase the students' social capital for a long time.

During the very first days, foreign students can feel lost in the new environment. Their expectations do not always meet the reality, they are on their own, and they can be afflicted by cultural shock. On the other hand, Erasmus students usually adapt quickly and easily, especially with the help of some welcoming social events (Sigalas, 2010a). Furthermore, the process is fast since the *"experiences of adaptation arise from situations where individuals are confronted with an unknown world whose social rules they do not master and which grants them the status of temporary stranger"* (Murphy-Lejeune, 2003). They only have to adapt to the rules of foreign country, but not so much to the people. They are all Erasmus students – they are all strangers in the country. They cannot be strangers among the group of strangers. That gives them feeling of freedom and safety, and makes the adaptation easier.

Students' initial enthusiasm to socialize is high. After they overcome the cultural shock, they become keen on exploring the inter-cultural settings. They want to meet a lot of people, talk to a lot of people, learn about their countries and discover the differences. Since nearly everybody want to be social, it is

easy to make new acquaintances. The first phase of relational work is clearly and notably dominant. Van Mol and Michielsen (2015, p. 433) in their study stated, that *"the majority of interviewed students reported to have established a first social circle within the time span of a month."*

After the initial phase the socializing enthusiasm decreases, and other three phases of relational work come to the fore. Students move from meeting as many people as possible to strengthening their existing bonds. They are rather spending their free time with their friends, than meeting more new people. However, it is important to mention that it might be highly influenced by individual preferences. Some students keep their eagerness to meet new people for longer time, while others prefer stronger ties with only a few friends. One of the students who expressed this situation was Kristin:

*"I think everybody just found their close friends and now... I think we don't really make new close friends. We met other students for example in Prague, we went with a big group, 11 people, and there were some people who I met for the first time and now we are kind of friends. But not that close, like with my roommate."* (Kristin)

In the process of obtaining social capital there can appear also some barriers. As a barrier to socializing I consider anything that impedes creating new bonds between students, or strengthening the existing ones. These can be for example caused by spatial distance, since *"people who are spatially far apart are less likely to form social capital"* (Glaeser et al., 2002, p. 454). Thus for example two students living in different places are less likely to develop a strong connection. Another barrier could be generated by different lifestyle or hobbies. When two students have different preferences about spending their free time, they also have less reasons to spend that time together.

Once obtained social capital does not always endure. Students might start losing their social capital after their Erasmus is over and they return to their countries. They stop meeting their friends regularly, the relational work becomes more difficult and weak interpersonal ties might cease to exist.

#### 5.2.4 Personality changes

Erasmus can bring about several personality changes. Students can face difficult situations during their stay abroad, and by dealing with them they can learn and improve. *"Student travellers learn to go through three rifts: relocation since travellers leave a geographical territory, disorientation since they leave a social and cultural territory, and uprootedness since they leave an affective, personal and linguistic territory"* (Murphy-Lejeune, 2003, p. 105). If they manage to overcome these feelings, they expand their comfort zone, gain inter-cultural awareness and understanding, independence, and self-confidence with using ELF.

For some of my participants especially independence was very important. It was even one of the reasons why they decided to go on Erasmus. Some students had very little or no experience with living on their own, without parents or other family members. However, they wanted to try living on their own in foreign country and become more adult and mature. They had to learn a lot, but in the end they could be greatly satisfied with the progress they made. *"When unfamiliar become familiar, and extraordinary becomes ordinary, one gain a new sense of comfort, and new practices extend the boundaries of the comfort zone and create a new sense of "home" (Prazeres, 2017, p. 13).*

When students travel abroad, not only they leave the familiar environment, but also they leave people, who know them, and who already have certain opinion about them. They can build new identity on Erasmus, and they are in charge of that process. By changing the milieu, they can come to the personal change and even self-discovery (Prazeres, 2017). In such new settings, students can feel they are free to do what they want, and be who they want. They do not feel tied up by the social pressure. For instance, Kristin described these feelings:

*"I think I became somehow more confident, because there is this thing that when you are in a new company, in a new group, you try to fit in. But among Erasmus students you just can't fit in because everybody is so different, there is no average behaviour, average fashion, average food or average anything, because everybody comes from different country. [...] Now that I don't have my usual environment and usual friends, I discover new things in myself like: "What do I want in this situation?"*

*and then here I am free to do it.” (Kristin)*

### **5.3 Transfers and relationship between capitals**

In the following subsections I will present the specific situations, where the relationship between the two capitals emerges. These are getting, strengthening or loosing social capital in combination with saving or loosing financial capital.

Getting social capital could be likened to the first variant of relational work – creating new relations. Specifically, by getting social capital I understand extending the social network, getting new friends and acquaintances, and developing skills for making contacts in international environment. Strengthening social capital can be seen as the remaining three variants of relational work. It is creating stronger ties in existing social network and further improving one’s communication skills. By loosing social capital I mean a strong decline in the frequency and intensity of communication, weakening social ties and less practice of inter-cultural social skills.

I define saving financial capital as not spending any finances, or spending less than one would without the particular action. By loosing financial capital I mean spending more money than one would without the particular relation with social capital.

Furthermore in each subsection I will consider three features - the directness of the relationship, the level of effort, and whether the cause of the emerging relation is internal or external.

There are three possible outcomes, when analysing the directness. At first, the changing state of the two capitals can be simply happening simultaneously. The capitals do not necessarily have an actual influence on each other. Secondly, there can be direct relationship, when one capital is changing because of the change within the other one. And finally, a third agent can take place in the relationship – there is another factor, which causes the change in state of both capitals.

The level of effort depends on the engagement of the students. For this study I define two variants – a high and a low effort one. I acknowledge that this variable is on a scale more than two generalized categories, but for my



analysis this distinction is sufficient. High effort is characterized by active engagement of the students in the particular activity. They need to be independent, responsible and involved in organizing the activity. Low effort, on the other hand, means that someone else, not the Erasmus students, is in charge and deals with the possible difficulties.

At last the activity, and thus the change in state of the capitals, can be caused by internal or external cause. The internal cause means that the students themselves decided to do the activity or to be part of it. The external causes are not in the students' hands, the cause came about without their contribution.

### **5.3.1 Getting social capital – Saving financial capital**

In this part, I would like to present situations, where students can obtain new social capital and save financial capital. That means, they either do not spend their money at all, or they spend less than they would without attempting to get social capital. There are two significant situations, where this relationship emerges. The first one is the Orientation week, an event organized for Erasmus students by Erasmus Student Network (ESN), and the second one is the students' choice of accommodation.

The Orientation week is for the students especially valuable. It is an event organized by ESN at the beginning of the semester, even before the university lectures starts. This event is supposed to welcome the students to the city, inform them about all the necessities, help them to adapt and to start building a social network. During this week, students are joining activities, where group cooperation and teamwork are crucial. The organizers of the activities further make sure that the groups consist of people who do not know each other. Thus students are encouraged to put aside their shyness and communicate with each other. Apart from the activities, students have enough free time, which is necessary to strengthen their newly established bonds. Several of my participants mentioned that it was very helpful event. They met a lot of new people there, even including those, whom they later called their closest friends.

*"There exists multiple equilibria in the levels of social capital investment. In some communities, the level of investment is high and the return to investment is consequently high. In other communities no one invests and the return to investment is low"* (Glaeser et al., 2002, p. 422). Erasmus students undeniably belong to the first group, and especially the social capital investments during the Orientation week are significant. However, they do not spend the financial capital. The orientation week is free for them. They only invest their time and will to socialize, but no money.

The second important place, which can be viewed as a starting point for getting new social capital is the accommodation. The Erasmus students have several options, where to find a roof to sleep under. They can opt for a private flat or a dormitory in one of two campuses, Neředín or Envelopa. All of my participants chose to live in a dormitory. They had two main reasons for that decision – the dormitory is cheaper than a flat, and more international students live there. In other words, it is a suitable place for obtaining the social capital, and at the same time saving the financial capital.

Dormitory is a safe space for socializing. All the Erasmus students are to live in one dormitory, and they feel to be among their own there. They are aware of the fact that they are all labelled as Erasmus students and thus not distinct from the others. They are all from different countries, with different habits, but they came with very similar objectives. They want to talk with others, find new friends and build a social network. Approaching an unknown student and starting a conversation will probably not result in any negative response or rejection. Thus even students who are shy or introverted are less anxious about these situations and can find friends easily. Iris said about the situation in Envelopa:

*"I'm also super anti-social, at least in Portugal I'm really not good at talking with people. But I talk to a lot of people online and I love meeting like other cultures and people from other countries and it was a great opportunity for that. Especially to stay with people in dormitory, you can just meet everyone, you end up saying hi to everyone even if you don't know them, cause they answer back, they're all nice."* (Iris)

Even though the feelings of safety are present in both dormitories, Neředín

and Envelopa, we can also notice some important differences. In Neředín, there are fewer students living in general, and only single and double rooms are available. Envelopa, in contrast, accommodates more students, more people are sharing the kitchen, and only triple rooms are available. Three of my participants chose to live in Neředín, for a part or the whole of their Erasmus, because of these reasons. One of these students was for instance Matthew:

*"Here [Neředín] you have a kitchen for 6 people maximum, in Envelopa there is three people in the same room, and one kitchen for one floor so... I mean the choice is easy."*

(Matthew)

The price of a particular room in the dormitory is derived from the characteristics mentioned above. Single rooms are the most expensive, while triple rooms are the cheapest option. The same rule applies to the kitchen and bathroom. That makes Neředín generally more expensive than Envelopa. However, the price is set according to the local students' needs. They mostly prefer privacy, so the single rooms are more valuable for them. That is not true for Erasmus students. They came to meet a lot of people and to live with them. That is more valuable for them than privacy. Some of my participants even chose to live in Envelopa, because they knew it is a dormitory which accommodates the highest number of international students.

Nevertheless, some of my participants were concerned about the comfort. They have never lived in a shared room before, and they could not imagine such situation. However, they found a way how to make it comfortable, and acknowledged they made a good decision. The shared room helped them to meet new people – their room-mates. In a broader respect, the shared kitchen works in the same way. It might be less comfortable for cooking, but it is very helpful for obtaining social capital, especially if more students share the kitchen. Some students even mentioned it as the best place for getting new contacts and starting a conversation.

Dormitory is the first example showing how significant the social capital is for the Erasmus students. Potential discomfort is not as important as the possibility to start developing social network. And the advantage of this situation is

that students also save their financial capital, even though it is not the primary intention.

Concerning the directness of the relationship within the two capitals, these two situations are not in conformity with each other. In case of the Orientation week there is no direct influence. The facts that the activities are free and favourable for getting social capital are not linked to each other. On the other hand, giving the example of the dormitory, third factor emerges in the relationship. That factor is the lack of privacy and number of students sharing the common areas, such as a kitchen. Due to these conditions, the dormitory gets cheaper, and socializing gets easier.

The other two variables are the same in these situations – the effort is quite low, and the cause is external. The Orientation week is organized for the Erasmus students by members of the ESN. The students are thus only participants, they are not in charge of that event. The cause I consider to be external, since the students were highly recommended to take part in the whole event. Of course they can possibly opt not to join the event, but the attendance is nearly mandatory, and thus the choice is not truly free. In the dormitory the simplicity of the socializing is due to the way the dormitories are built, and thus the developed effort is again quite low. The external/internal cause might be again problematic. The students choose themselves where do they want to live, and some of my participants mentioned that they chose dormitory in order to meet other people. However, the dormitory is again recommended to the students - it is the easiest and the safest option. In addition, even the information about the other Erasmus students living in the dormitory comes from the external sources. Thus I chose to define the cause as external.

### **5.3.2 Getting social capital – Loosing financial capital**

Here I will focus on travelling with ESN, which is a case in point, where students have an opportunity to meet new people, but they spend additional financial capital for it. They would spend less money, if they would choose not to get to know more students.

Erasmus students have two main modes of travelling – they can join ESN,

or they can organize the travel themselves. If they join an ESN trip, they do not need to be concerned about the means of transport or accommodation. That means, they do not need to spend more time with organizing all the necessary things themselves or with other partakers. Thus they can even go without any friends, and still not be alone. From this position, they can easily find new friends during the trip.

Most of my participants declared against this way of travelling. They had either bad experience or knew someone with bad experience, they did not want to meet any new people or preferred being in charge with organizing the trips themselves. Only two of my participants, Iris and Simon, favoured the ESN trips:

*"For example the ESN event, like the Krakow trip or anything else, I would go for that because not only I have fun exploring other places, but I also end up meeting more people, during the Krakow trip I met a lot of cool people." (Iris)*

*"I like to attend the ESN events, I'll go anywhere with them, especially abroad. I haven't gone yet, but I will. With my own friends I think I'll go just once or twice, because... I like to meet with new people every time, and if you are alone you have a chance." (Simon)*

In the case of travelling with ESN, there is a third factor emerging in the relationship, which is closely linked to the effort as well. That factor is the organization, which is in hands of the ESN members. Similarly to the Orientation week, the effort developed by the students is low. It is also the reason, why it is more expensive – if the students decided they want to organize the trip themselves, they would be able to lower the overall cost. Furthermore, as the students do not need to get in contact with other people beforehand to plan the trip, they can easily go alone. That puts them in a better position to meet new students. The organization by ESN is the reason for losing financial capital while getting social capital. Finally, the causes are internal. The students can freely decide themselves whether they want to join the ESN or not.

### 5.3.3 Strengthening social capital – Saving financial capital

In this and the following subsections I will describe situations, where students strengthen their social capital. That means, where they develop already existing social relations even more, make the interpersonal bonds stronger, and further improve their communication skills with their friends. In this subsection I will focus on situations, where students at the same time save financial capital. These situations are the daily life in dormitory and travelling with friends.

Dormitory is a great place for meeting new people, but its big advantage lies also in strengthening those relations. After students mutually introduce themselves they continue meeting each other without any particular reason. They can come across another student while cooking in the kitchen or when walking through the corridor. By sharing these common places they interact more often and thus strengthen their relationship. All of my participants mentioned that they were often meeting in their or other students' rooms. This ease of getting together was mentioned for instance by Frederic:

*"There is one common room, but I haven't gone there, because always we are meeting in someone's room. If I see some people in a room, I join them."* (Frederic)

Living in a dormitory can save students' financial capital in several ways. As I already mentioned, it supports socializing and saves money for the accommodation itself. In addition, after students adapt to the new environment, they often start cooperating more with each other. By searching new strategies how to make their coexistence easier and more comfortable they can also save money.

One example of such strategy, which some of my participants came up with, was cooking together. When the students became closer friends, they tried cooking a dinner and eating together as a way to spend time together. Soon they discovered that this cooperation carries several benefits. Not only did the dinners become more entertaining, but the students could also share new recipes, facilitate preparing more complicated meals, take turns in cooking and shopping, and save money on food. As they were buying bigger pack-

ages of ingredients and sharing the overall price, they lowered expenses of food of each person. This way by searching some entertainment with friends students also achieved saving their financial capital. Adam and Thomas especially pointed out the advantages of cooking with other friends:

*"For food we spend less, because we decided to cook together for the dinner most of the time, so it's cheap. We buy like for 8 people we cook, so it's cheap."* (Adam)

*"[...] Yes, and this is very good because sometimes I don't want to go shopping, for example these few days I didn't go shopping, but then sometimes I go, and sometimes I cook or don't cook... and this is very good organisation."* (Thomas)

Another example is sharing a price of an object, which students bought in order to retrofit their rooms. Three of my participants complained that the rooms or the dormitory in general are not well equipped. For instance, there was no suitable place for sitting down with friends and drinking a cup of coffee together, so the students bought a small table and chairs for these gatherings. Or in a different room there was not enough sockets, so the students had to take turns in charging their laptops. That resulted in the room-mates buying an extension cable for common use. These purchases are supporting trust and cooperation among the students, and thus strengthening the interpersonal ties. Furthermore, by sharing the price each student saves a bit of their finances.

The important role of the dormitory was emphasized even more when the COVID-19 pandemic emerged. In March 2020 all the shops, restaurants, clubs had to close, and travelling was not allowed. The students could either decide to return home, or stay only in the dormitory. At that time nobody knew how long time would it take and the students had to deal with the frustration and uncertainty. Among my participants, those who decided to stay did not later regret their decision. They still tried to make the best out of the Erasmus and kept meeting within the dormitory. They could not spend their money outside, while visiting bars, clubs, restaurants or cafés. On the other hand, they spent even more time with each other, and thus welded the whole collective together. Dominic, who experienced this situation, said:

*"As we had a lockdown, we were not allowed to go out, so we were together all of us, our group of friends. And so we became very close to each other, like we are real friends now." (Dominic)*

In the last scenario, where this kind of relationship between social and financial capital emerges, I will return to the topic of travelling. I already explained how ESN trips support getting social capital, but more financial capital is needed. Here I will talk about the trips, which students organize themselves. In this case, students choose to strengthen the existing social ties, rather than create new ones. When students decide to go on a trip by themselves, they assume the responsibility, they need to plan everything and be well organized. This process already helps developing the ties between the partakers. Later on, during the trip, students get new shared experiences, which further weld them together. At the same time, they often aim to lower the overall cost of the trip. They want to travel as much as possible, so they need to save on each trip, in order to be able to afford more of them. Among my participants, Amy was one example of this approach:

*"I think price was one of the most important things because since we wanted to travel too much we also wanted it to be cheap. So we went to Salzburg for example and we were able to book two places for all of us. [...] We could book like apartment for us and it was really really cheap [when sharing the price]" (Amy)*

Sharing a price of an accommodation is a one case in point of saving financial capital while strengthening social ties. This presumes going on the trip with friends. However, there is another kind of travelling, which exhibits the same relationship between the two capitals, and it is travelling to visit a friend or a partner. Among my participants, this example concerned especially those students, who have already been on Erasmus before. They could visit their friends from the previous Erasmus period, stay in their place and thus save for accommodation. That was a case of Isabel:

*"Mostly where I go I have a friend, so I don't pay for everything, I don't pay for a place to stay" (Isabel)*



Even more financial capital could save for example Daria. She travelled several times to visit her Danish partner, who was able to financially support her trips:

*"Yes, the travel to Denmark was sponsored by my boyfriend, so that doesn't really count... (laughing)"* (Daria)

All of these activities bring considerable benefits both on the social capital and the financial capital side. However, in order to achieve these benefits, students must exercise an active behaviour. *"In order to meet a maximum amount of people, to speak, to learn, to read, to share, you must not have a passive, but an active behaviour"* (Murphy-Lejeune, 2003, p. 109). The students need to be creative, cooperative and willing to assume the responsibility. Passive behaviour is for example sufficient for joining the activities organized by ESN. Here, on the other hand, in order to save the financial and strengthen the social capital, students need to be in charge and organize everything themselves.

In the situations listed above, accommodation in a dormitory and the effects of pandemic share the same features. Concerning the dormitory, the analysis would be the same as in the part "Getting social capital – Saving financial capital". That is a third factor in the relationship, low effort for socializing and external cause for choosing the dormitory. Since the pandemic emphasized the role of the place, the features remains the same. Only the last feature, the external cause, is not caused by the recommendation to live in a dormitory, but by the pandemic itself. That was the external reason for the students to stay in their dormitory more than before.

The remaining three situations – cooking together, sharing an object and travelling with friends – also share the same features. The change in state of one capital is straightly influencing the other one. By purposefully strengthening the social capital, through the mentioned actions, students save their finances. Thus we can talk about direct relationship. All three situations further require highly pro-active behaviour, meaning the effort is undeniably high. At last, the cause of the actions is internal, since all of them were students' own ideas.

#### **5.3.4 Strengthening social capital – Loosing financial capital**

This type of relationship between the two capitals is especially related to the consumption in the city. That would include visiting pubs, bars, clubs, cafés or restaurants. As I already mentioned, Erasmus students might be known for enjoying a lot of parties, but they do so to spend time with other people. Particularly the social events in the city work better to strengthen the social ties, than to get new acquaintances. Some of my participants mentioned that when they go to a club, it is nearly impossible to find new friends there. Due to the loud music and in some cases excessive consumption of alcohol it is very difficult to have a conversation. Students thus go to the club together with friends, and enjoy the evening with them.

An interesting point is that for several of my participants visiting clubs was not a preferable evening program. They either do not like such places, or they do not drink alcohol, and thus do not see the point of going there. In any case, they do not visit such places in their countries. However, they wanted to be with friends more than they did not like the clubs. In general, when being with friends, the actual program goes aside. The students can go to a club, which they do not like, or just have a walk in a city, which they already know well, and still enjoy it. What matters, is the time spent with friends.

The students are partly prodded into visiting these places due to the dormitories, which are missing easily accessible common rooms. My participants often considered this as the biggest disadvantage of the dormitory. They expressed a need of such a space, because they could only meet inside their rooms, which are not suitable for bigger gatherings or evening parties. Two of my participants mentioned that they even had to pay a fine for such an event. They evaluated the situation positively, since the sum of money was not as high as to spoil the enjoyment derived from the event. However, it is still an additional expense and these settings push the students out of the dormitory and nudge them into the consumption in the city.

Apart from drinking, students also visit cafés and restaurants to try new food. That might be for instance a traditional cuisine and not only the local one. Great experience, which strengthen interpersonal ties, can be also trying

a traditional cuisine of the other person, such as Kristin described:

*"I tried a lot of new things here, they are not connected only to Czech culture, but still I feel more free here. I tried Guinness for the first time in the Irish pub, and I tried sushi for the first time with Japanese girl. It was so amazing because I always wanted to try it and she could show me like: "This kind is original, and this is something we don't do, Japanese don't put avocado in sushi." It was nice because she was my guide, she teach me how to use chopsticks, and it was unique experience."* (Kristin)

Not only traditional cuisine can be attractive for the students. As they gradually discover the city, any place can take their fancy, and they might decide to go there immediately or later with friends. They can even influence each other – they share their experiences, and invite other friends to join them next time. They nudge each other into further spending money by visiting such places. Nevertheless, that might be a problem for students, who are following a healthy diet. With this lifestyle, getting fast food might be a concern, as well as going to pub while trying to avoid alcohol. These situations might be even uncomfortable. For example Frederic and Daniel were getting into such situations:

*"Here the best way [of spending time with friends] is going to pub. In Istanbul, in my country, we are going like... to a barbecue near a lake, that's the favourite one in Istanbul, but here... I don't understand what's happening here. All of them [his friends] just want to go to pub or to get drunk."* (Frederic)

*"There [in McDonald] is a lot of delicious food that they [his friends] really like, and it's really attracting me too, I want to eat it as well... but I say it's not my cheating day, I want the results, I am testing my will also. So when my friends say: "Ok, let's go and eat there," I say: "I really can't. I would like to, it's not about money, it's about my health and that I am making progress, so if you want I can keep you company, but I will not eat."*" (Daniel)

In general, during such situations students spend their financial capital for the food and drinks they consume, while strengthening their social capital.

They can enjoy time with their friends as a sort of cultural experience, or just having a good time together. The time with friends is so valuable for the students that the actual program loses its importance. They can enjoy even such activities, which they usually do not like.

In these situations we can recognize direct relationship, low effort and internal causes. The students decide to socialize outside their dormitory, which makes them spend their finances in the city. That does not require any high effort, and it is a free decision of the students.

### **5.3.5 Loosing social capital – Saving financial capital**

Once acquired social capital does not necessarily remain in the same state for a limitless time. When people lose contact, their personal ties can weaken and nearly disappear. In the case of my study, this usually happens when the study abroad is over and students start returning to their countries. They stop seeing each other personally and the only ways to stay in touch is either via social media, or to invest into a trip to visit their friends. However, since I conducted my study with students currently on Erasmus, the situation after remains out of focus.

When the students were still on their Erasmus, this relationship between capitals emerged hand in hand with the COVID-19 pandemic. I already mentioned that since shops and restaurant facilities had to close, students did not spend as much money as before the lockdown. They lost the opportunities to spend the money. The only things they had to pay for were the dormitory and food, which results in noticeable saving of financial capital.

A sort of barrier to socializing and spending financial capital, however, appeared even before the strict lockdown. Some students did not want to travel abroad before it was completely forbidden. They said they would not feel safe, since the new coronavirus was already known to be in Europe. Thus they did not socialize through travelling, neither while going on a trip with friends, nor to visit their friends. After the ban on crossing the borders was imposed, nobody had the choice anymore. Not even students, who did not mind risking the trip before they were "locked" in Olomouc. Students could not spend

money on travelling, but for the price of not strengthening or maintaining their social ties this way. The situation was very frustrating to them. For example, Daniel could not travel to see his girlfriend, as he planned before:

*"I was supposed to see my girlfriend in Portugal, but because of this situation with coronavirus I couldn't. [...] I hope when this stops, this situation, I will probably go, or maybe she will come here. We will see."* (Daniel)

Since the university had closed as well, students could decide, whether they want to stay in Olomouc, or return to their countries. Making this decision was not easy for the students. Nobody knew how long the lockdown would take, and there was a limited amount of information. Students were highly recommended to spend as much time as possible in their rooms and limit their contact with other students. Considering this advice and the general situations, some students decided to go home. There they might not need to pay the accommodation or food. One of these students was for instance Robin. He came to Erasmus to travel around Europe, and to spend time with people. Since these things could not be achieved anymore, he decided it will be better to go home. He described his decision-making process with these words:

*"I was sure that the quarantine will end very soon, that everybody just panicked about everything. [...] When I realized that it will take months, I started thinking about going back to Ukraine, but my parents and my friends told me that I should not do that, it would be safer to stay here. But when students started to talk about the situation, that it will continue to the summer [...] Then Palacky University sent me an email that we will not have a classes for a few weeks, and we can go home if we will have the opportunity. But if we want to stay here, we will stay alone, at our rooms, and we will limit the contact with our friends... for me it was disturbing information and I decided to go home."* (Robin)

The situations mentioned above are very close to each other, and have the same features. A third factor, which emerges in the relationship, is also the external cause of the actions. It is the end of Erasmus period or the COVID-19

pandemic that restricts the students' socializing and opportunities for spending financial capital. They do not have almost any other option, than to spend less financial capital, and losing social capital is not desirable. Thus they do not exert high effort to reach this situation.

## Conclusions

My aim was to understand the relationship between social and financial capital of Erasmus students. For the considered setting, I have defined financial capital as the students' total financial wealth, and social capital as their social network and communication skills in inter-cultural environment, cultural awareness and using English as lingua franca.

Most of the students are financially supported by the EU. They receive a scholarship, which greatly differs in terms of the sum of money. Among my participants, students from countries like Georgia or Serbia were getting considerably higher scholarships (around 800 € per month) than students from Germany or Spain (around 300 € per month). That made the students from the first group less dependent on their parents or their own earnings, compared to the students from the second group.

Concerning the flow of financial capital, I define two processes – saving and loosing the capital. I use saving in terms of not spending any money, or spending less, when compared to a situation, where the particular relation does not take place. Loosing the capital then means spending more money, than without the particular situation.

Within the flow of social capital I distinguish getting, strengthening and loosing the capital. Getting social capital means extending one's social network and developing needed communication skills. By strengthening the capital I understand creating stronger personal ties and further practising the social skills. Loosing the capital is linked to substantive weakening of ties and less frequent use of the communication skills.

My research supports the substantivists' view on acknowledging the importance of the context. The social capital seems to be more important to the students than the financial capital. Reasoning of the Erasmus students, their actions and decision-making all support this observation. When they arrive to the hosting country, they do not have any significant social capital, however, they are usually financially secure. In addition, a considerable part of their money is from the EU and is to be used during the Erasmus. Thus they are not motivated to save the money for a later use, and they can use it all to reach their

Erasmus goals without any remorse. Since one of the most significant goals is the gain of social capital, we can ascribe it larger relative importance. The students behave differently on their Erasmus, they might have distinct decision-making, or relation to financial or social capital, which is largely caused by the change of environment. Thus it is undeniable that the particular context matters.

I have found the relationship between the two capitals in five different variations:

GETTING SOCIAL CAPITAL – SAVING FINANCIAL CAPITAL emerges during the Orientation week and in the day-to-day life in the dormitory. In these situations the Erasmus students each other easily, and thus they start building their social capital without big difficulties. At the same time, the Orientation week is free for the students, and the dormitory is cheaper than living in a flat.

GETTING SOCIAL CAPITAL – LOOSING FINANCIAL CAPITAL is prevailing during the ESN trips. They are more expensive than travelling on one's own, or when the students organize the trip themselves. However, since it does not require any preparation or concerns, the students can easily go alone. Then they are in a suitable position for getting in contact with other people.

STRENGTHENING SOCIAL CAPITAL – SAVING FINANCIAL CAPITAL can be found in several situations. Firstly, it is noticeable in the dormitory, in the same settings as in the getting social and saving financial capital. The students keep meeting in the common areas, and thus strengthen their social ties. This effect was emphasized with the COVID-19 pandemic. Since the students had to stay only inside their dormitory, their daily interaction increased, and their personal relations got stronger.

Some students came up with their own strategies, which helped them to strengthen their social capital and save the financial capital. These include for example cooking together, sharing a material objects, and/or travelling together. These require the students to be pro-active, well organized and willing to take the responsibilities. However, as a result of their efforts, the outcomes are very positive. By the mutual cooperation, students increase their social capital, and since they share the overall costs, they decrease the loss of finan-



cial capital per person.

STRENGTHENING SOCIAL CAPITAL – LOOSING FINANCIAL capital is linked especially to the students' consumption in the city. In order to explore the city and spend time with friends, many students enjoy visiting bars, pubs, clubs, cafés or restaurants. These places are more suitable for strengthening already existing social ties, but they cost students additional financial capital. However, as I already mentioned, social capital is to the students more important than their money, so it is well worth it for them.

LOOSING SOCIAL CAPITAL – SAVING FINANCIAL CAPITAL usually emerges when the Erasmus period is over and students start returning home. Since they stop meeting their friends regularly, they also stop practising their communication skills and their social ties can considerably weaken. This situation arose sooner due to the COVID-19 pandemic, as some students decided to go home and finish the semester online from their countries. Those students, who decided to stay even with the lockdown, were to a certain extent also facing a loss of social capital. Their friends might decide to go home, they could not socialize in a city, or travel to other countries to visit their friends.

In all the situations I have also specified three variables – the directness of the relationship, the level of effort, and whether the cause is external or internal.

The direct relationship emerged only in few situations. In particular, these are cooking with friends, sharing material things, travelling with/to friends and/or going to bars, restaurants etc. There, the students' efforts to socialize brought about saving or losing their financial capital. We can thus say, that these are the cases, where the relationship between the two capitals is the strongest. By contrast, during the Orientation week, getting social capital and saving financial capital is only happening simultaneously. The changing state of one capital does not have any influence on the other one. Thus the relationship between them is indirect.

The only three situations where students had to make a considerable effort to create them were once again cooking with friends, sharing material things and travelling with/to friends, or possibly partners. That reflects the

favourableness of this particular relationship – strengthening social and saving financial capital.

Determining, whether the causes are external or internal, is in some cases problematic. For instance, the emergence of the COVID-19 pandemic and the following lockdown is clearly an external condition, which made the students reconsider their goals and options. However, the way the students dealt with the situations was to some extent their own, internal decision. Thus it is not possible to notice a pattern in the distribution of the external and internal causes of the particular actions. However, we can see the students' decisions were mainly oriented towards either getting or strengthening social capital. I illustrate the point again in the case of the pandemic. Those students, who were concerned they would not be able to meet with other people anymore, decided to go back home. However, the students who believed they can still meet with their friends inside the dormitory, or who were hoping that the lockdown will end soon, stayed in Olomouc.

To conclude, the Erasmus students are highly motivated to get and also strengthen their social capital. They want to make friends among people from different countries, experience the inter-cultural environment and improve their social skills. Most of the students are financially supported by the EU, but that is not always enough to cover the overall costs. A family support or own savings are then necessary. However, all my participants felt financially secure, nobody was forced to look for a job or other sources of income, and thus they could orient their actions to achieve their goals concerning social capital.

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## Acronyms

**EACEA** The Education, Audiovisual and Culture Executive Agency

**ECTS** European Credit Transfer and Accumulation System

**ELF** English as a lingua franca

**ESN** Erasmus Student Network

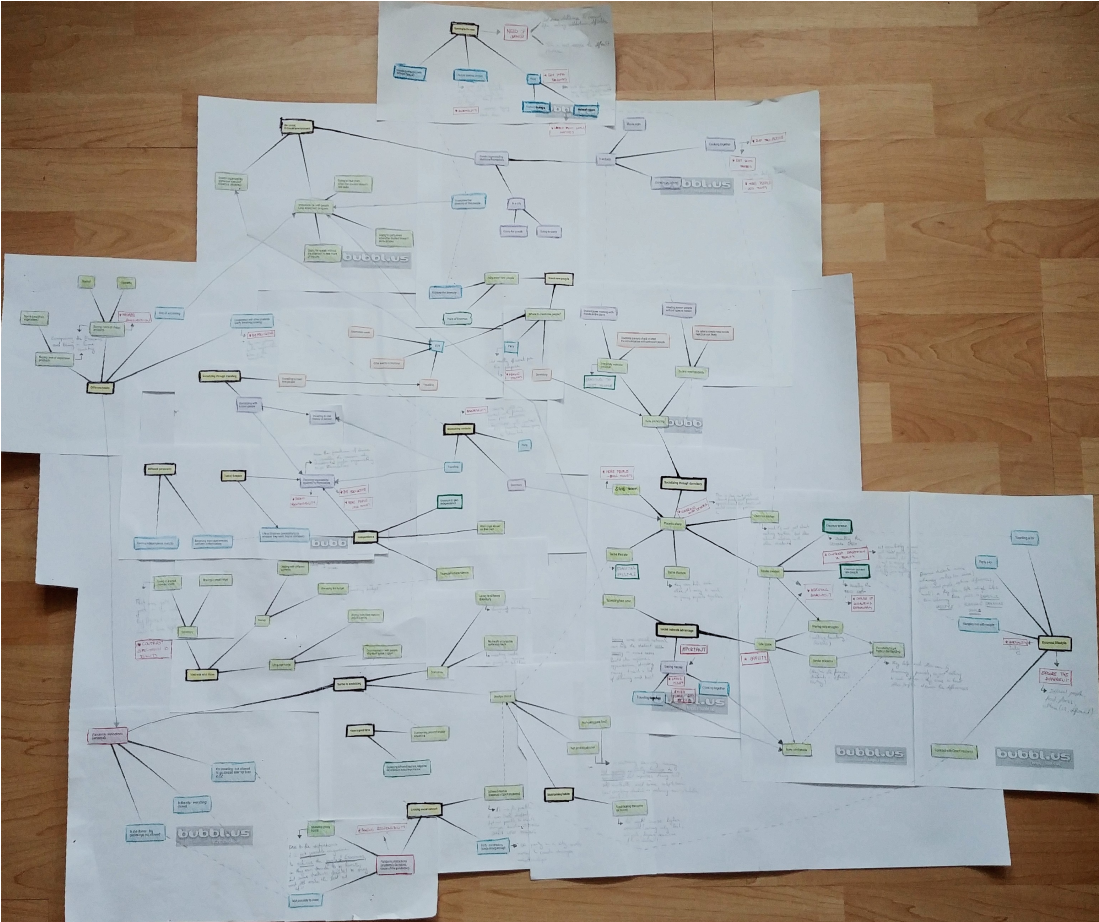
**EU** European Union

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# Appendices

APPENDIX 1: Mind map focused on Erasmus students' daily life, ways of spending free time and their personality changes





**APPENDIX 2:** Three mind maps, focused at the feelings of the Erasmus students (on the top), the ways of saving financial capital (in the middle), and the students' views on money and different expenses (at the bottom)

