

High Skilled Mobility: Changes and Challenges

June 2006

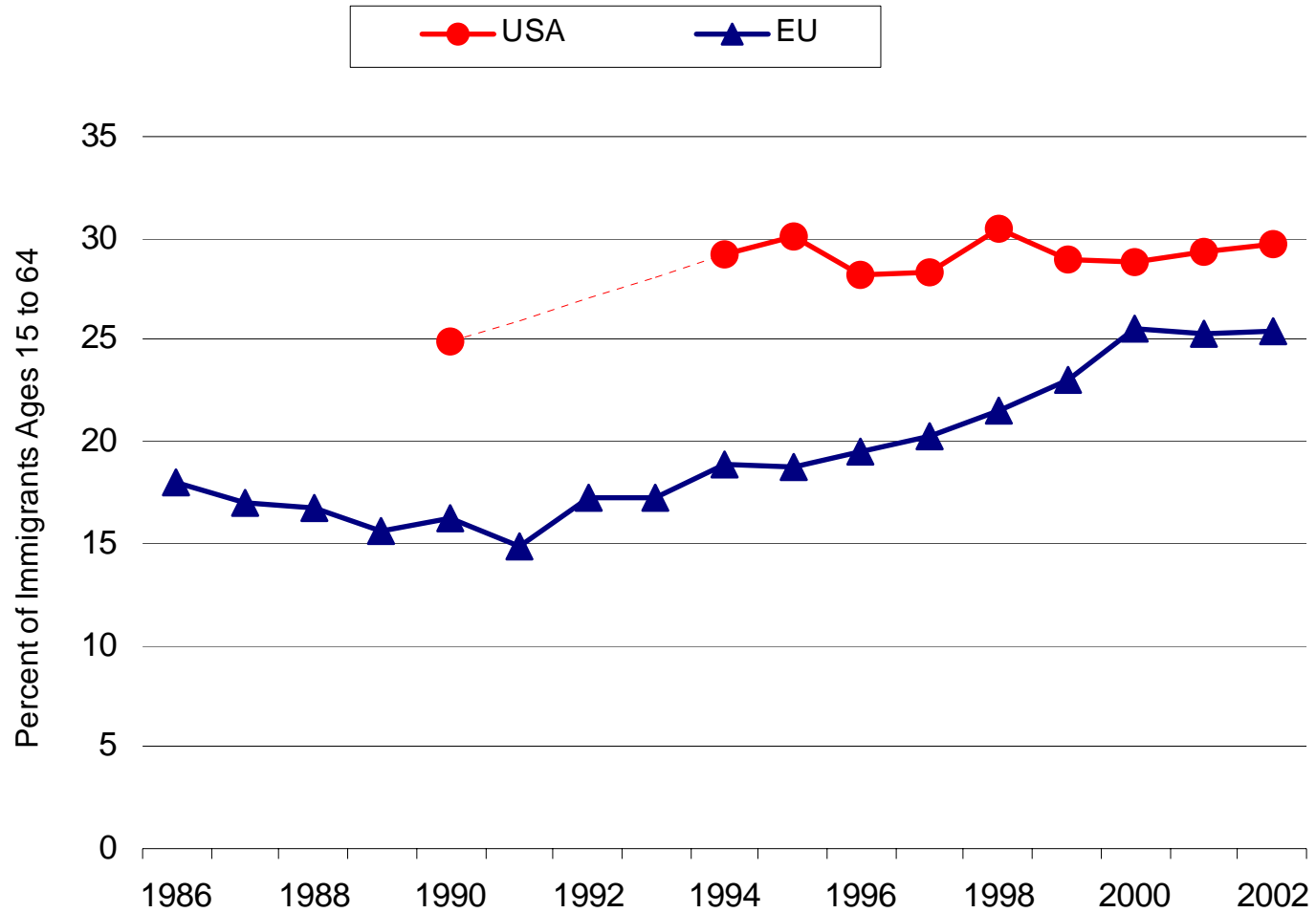
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Growing International Competition for Highly Skilled Migrants

- Share of college educated admissions is increasing in USA and Europe
- Both traditional and new countries of immigration are changing policies
- Countries that attract most of the world's highly skilled report they intend to attract yet more.

Figure 1. Percent of U.S. Recent Immigrants and non-EU Immigrants with Tertiary Education



Sources: European Commission, 2003, chart 139; U.S. Census microdata.

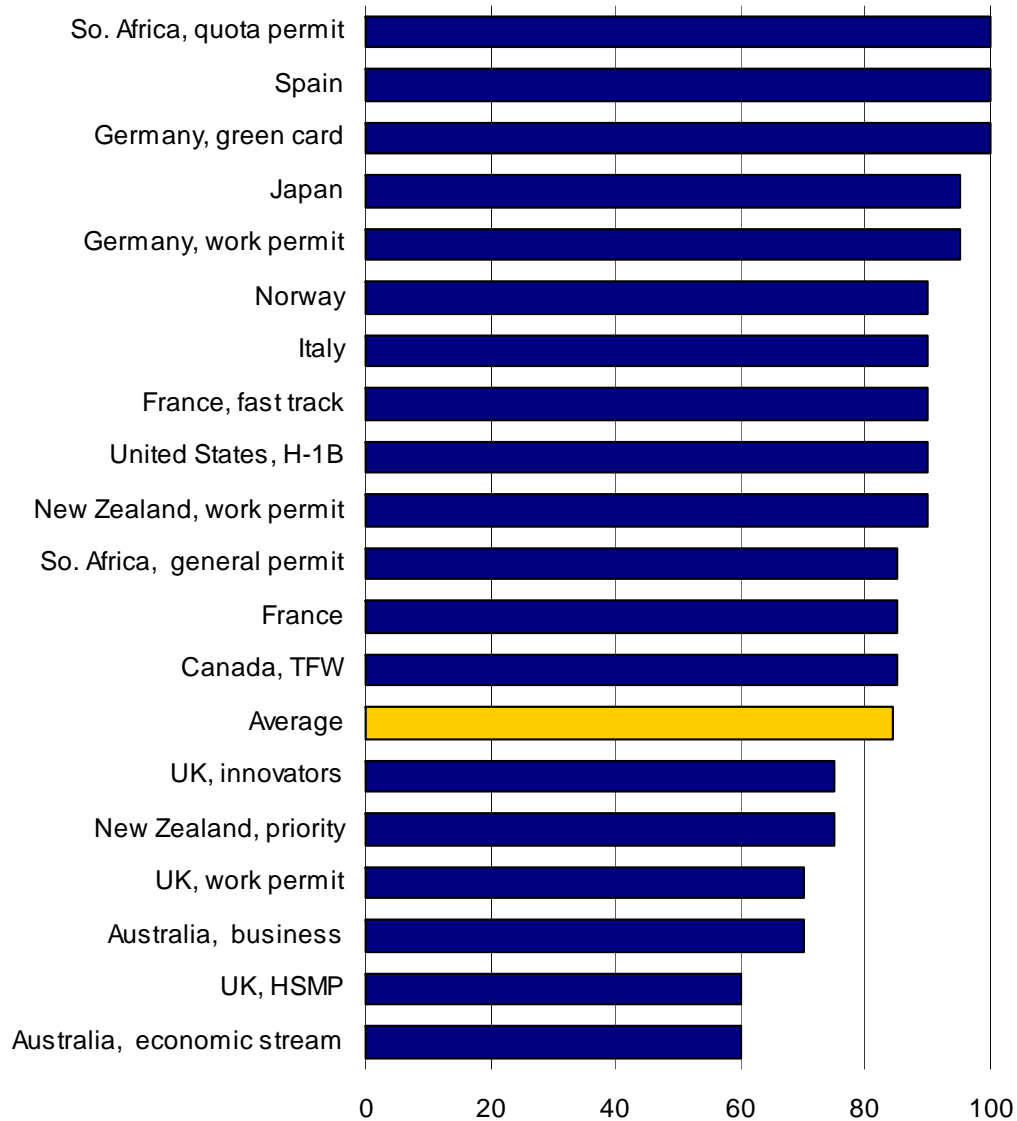
POLICY CONTINUUM AND RANKING CRITERIA

- Highly controlled / restrictive admission — Policies designed to be unfailingly restrictive and even prohibitive of migration..
- Well managed / controlled admission — Policies that balance facilitating employers' demand and protecting both workers both domestic and foreign.
- Streamlined / competitive admission — Policies that attract as many of the best and brightest as possible, assuming marketplaces ultimately adjust to everyone's benefit.

Criteria:

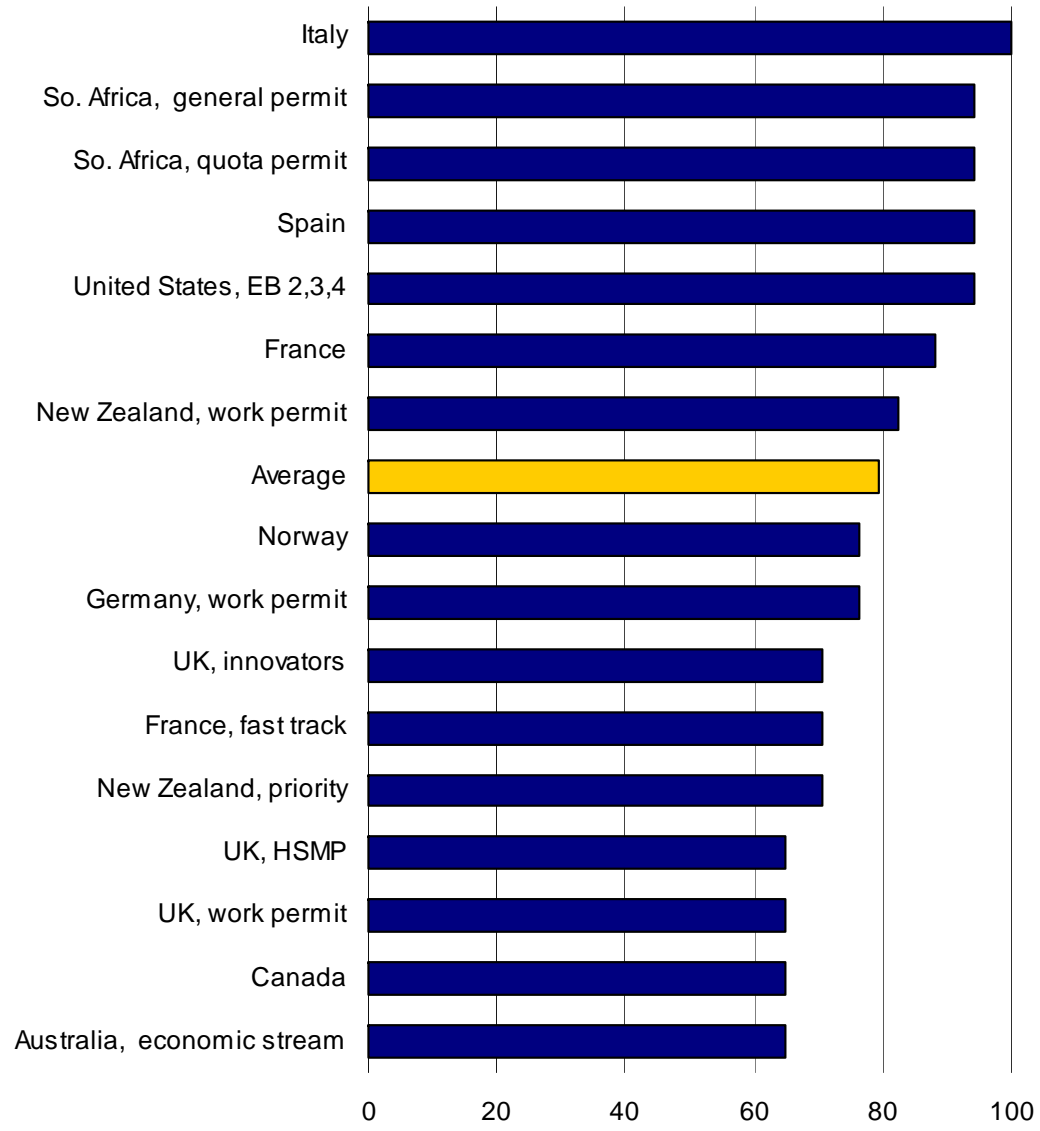
1. Hard numerical caps
2. Strict labor market test
3. Extensive labor protections
4. Enforcement mechanisms
5. Limited employer portability
6. Restriction on dependents / working spouse
7. Limited permanency rights

Figure 2. Ranking of Index of Controlled/Competitive Temporary Skilled Worker Programs



Source: see text

Figure 3. Ranking of the Index of Controlled/Competitive Permanent Skilled Worker Programs



Source: see text

BRAIN STRAIN: CURRENT SHARE OF SKILLED INTERNATIONAL MIGRANTS & PROSPECTIVE POLICIES TO ATTRACT MORE

Two indexes that evaluate a nation's past draw on the international pool of skilled immigrants, as well as their prospective policies designed to attract highly educated immigrants.

Data:

- (a) the *relative share* of the number of the global tertiary-educated migrant population;
- (b) the *percentage* of a nation's foreign born who are tertiary educated; and
- (c) prospective policies to attract skilled migrants as reported to the UN.

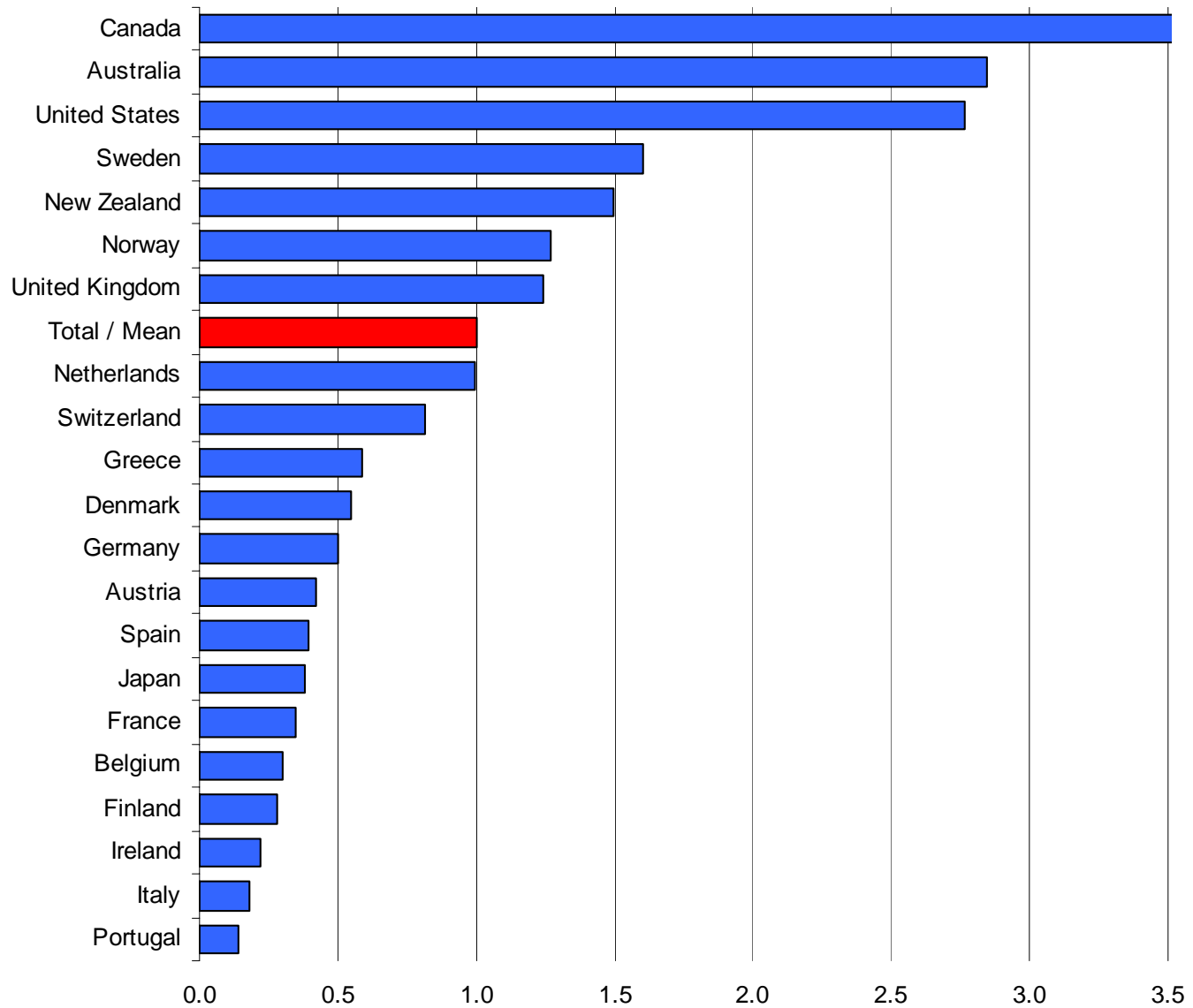
Current national admission policies that risk brain strain — a large or “disproportionate” share of highly skilled international migrants.

- Australia is the highest ranking brain strain nation, while Portugal is the least.

Prospective admission policies and brain strain — if a nation already is already at high risk of creating brain strain, a policy to attract more skilled migrants places development at risk.

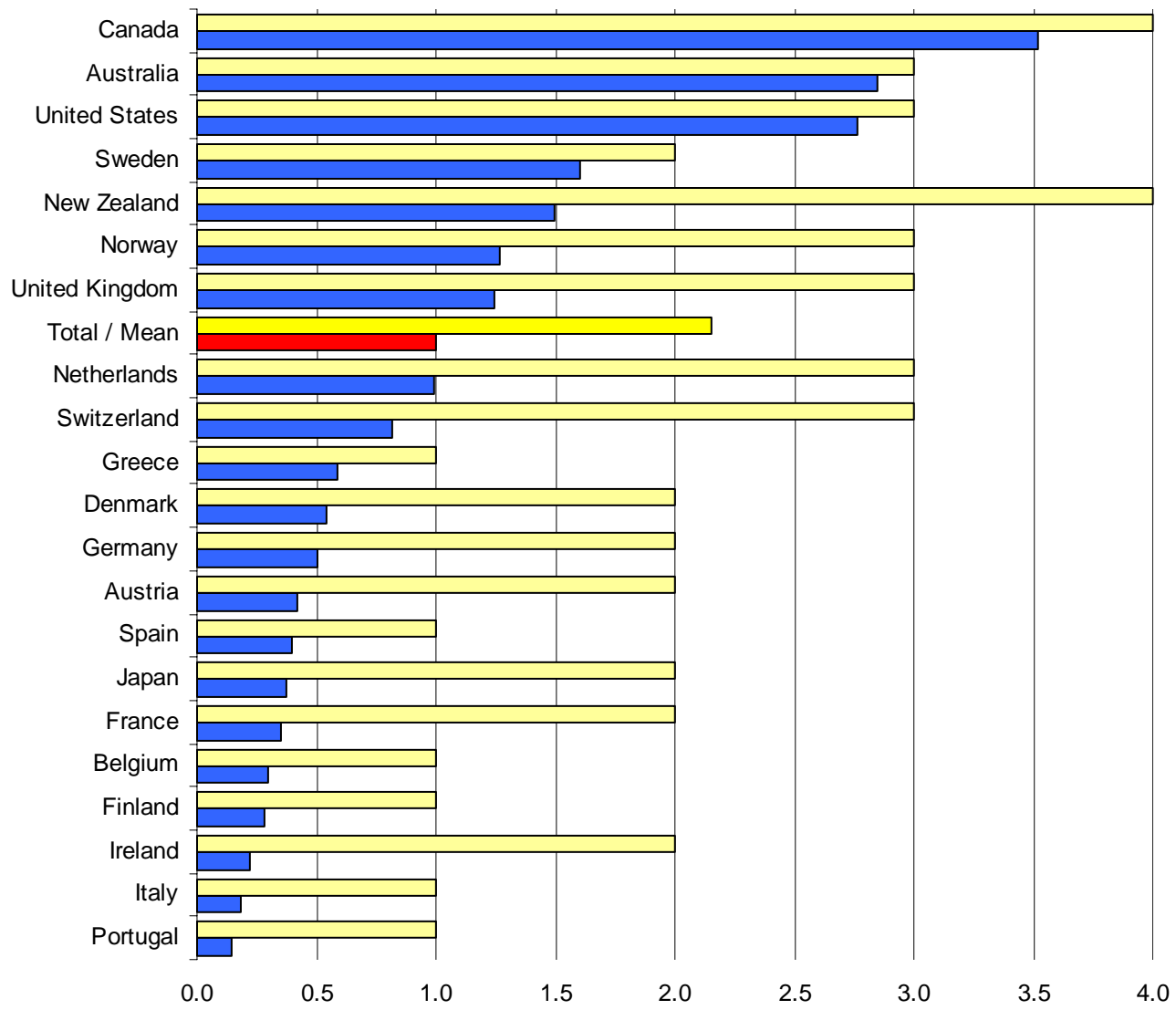
- Greece ranks low on brain strain and its prospective policies are to maintain that. Norway has a high share of the world's tertiary-educated immigrants, yet seeks more.

Admission Policies that Risk Brain Drain



Source: Lowell, 2006

Admission Policies that Risk Brain Drain (Blue) and Prospective Brain Strain (Yellow)



Source: Lowell, 2006

Terminology and the International Mobility of Skilled Workers

High Skilled Mobility

Refers to the movement of “tertiary” educated persons, primarily those with at least 4 years of education following primary and secondary education (12 years). Mobility refers to any type of international movement from one-time target to recurrent to permanent patterns.

Brain Drain

May occur if emigration of tertiary educated persons for permanent or long-stays abroad reaches significant levels and is not offset by remittances, technology transfer, investments, or trade. A “brain drain” reduces economic growth through unrecompensed investments in education and depletion of a source country’s human capital assets.

Brain Waste

When developing country labor markets cannot fully employ native-born workers then “brains are wasted” and emigration poses little economic threat. This might be the case if, for example, there are few jobs for mathematicians. Likewise, emigrants may find themselves underemployed in receiving countries, as when scientists can only qualify as cab drivers.

Brain Circulation

Lively return migration of the native born, or “brain circulation,” resupplies the highly educated population in the sending country and, to the degree that returned migrants are more productive, boosts source country productivity.

Brain Exchange

A given source country may exchange highly skilled migrants with one or many foreign countries. A “brain exchange” occurs when the loss of native-born workers is offset by an equivalent inflow of highly skilled foreign workers.

Brain Globalization

Trade sometimes follows in the wake of skilled mobility; in fact, some level of tertiary migration appears to be integral to trade. Multinational corporations and the forces of globalization necessarily require international mobility.

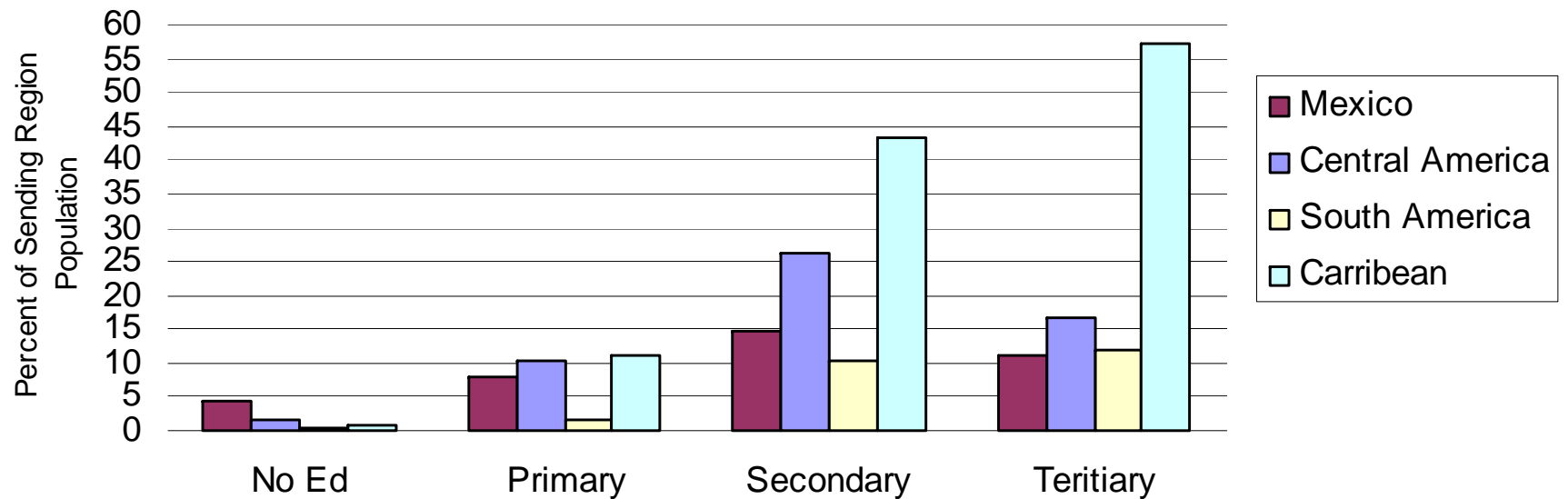
Brain Export

In a few cases, developing countries choose to educate and export their highly skilled workers, either in bilateral contract programs or in free-agent emigration. The strategy is to improve the national balance sheet through return of earnings and the return of more-experienced workers, or through remittances, technology transfer, and investment.

Brain Strain to the United States: Percent of migrants' living abroad

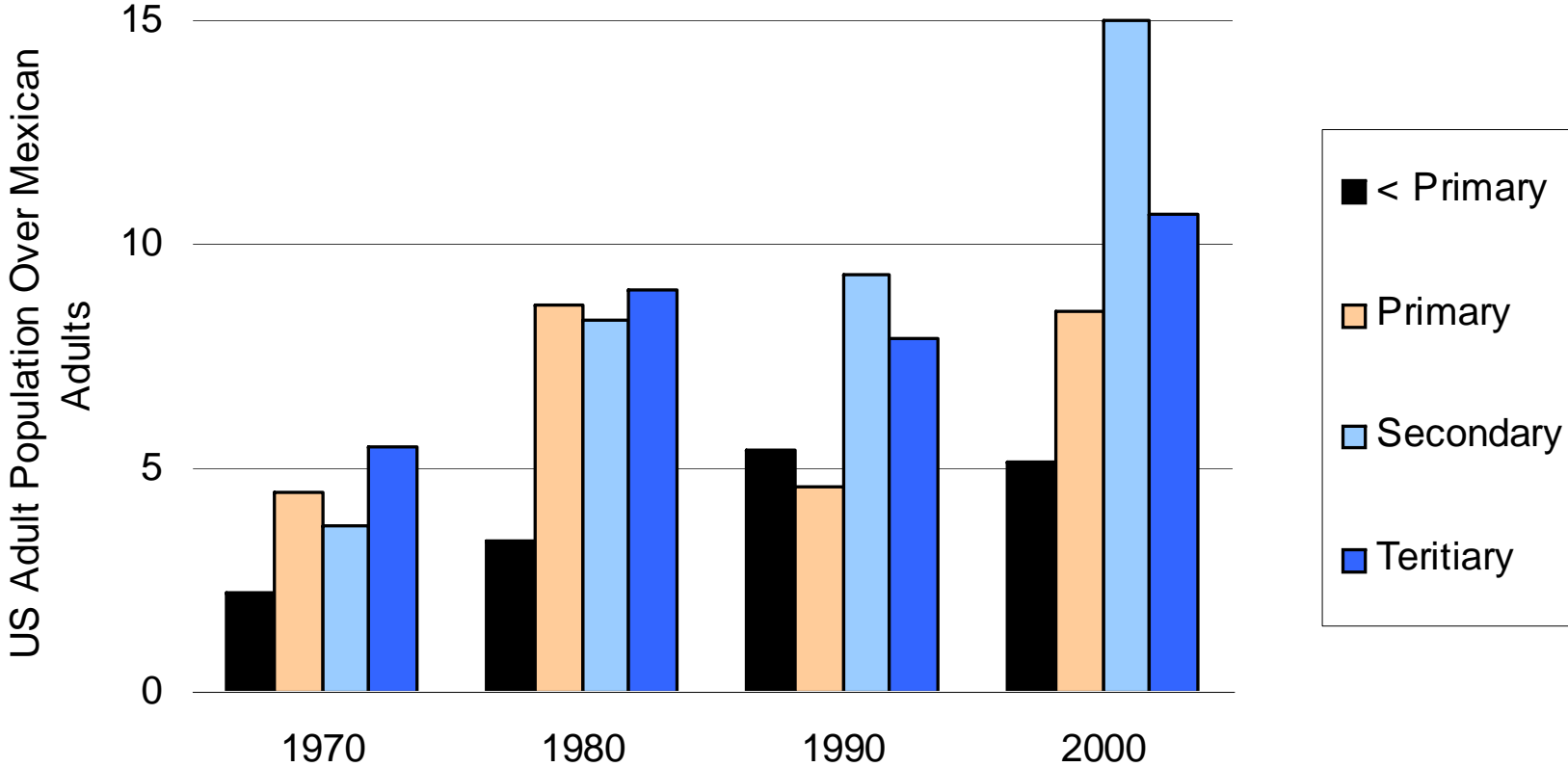
- Good measures of “brain drain” are new
- Differences between countries: Caribbean high and South America low
- Substantial increase since the 1970s
- Notable share educated in USA
- Unexamined losses of the highest education, e.g, masters and doctorates

Cumulative Loss to the Sending Subpopulations of Educated Emigrants to the United States, 2000



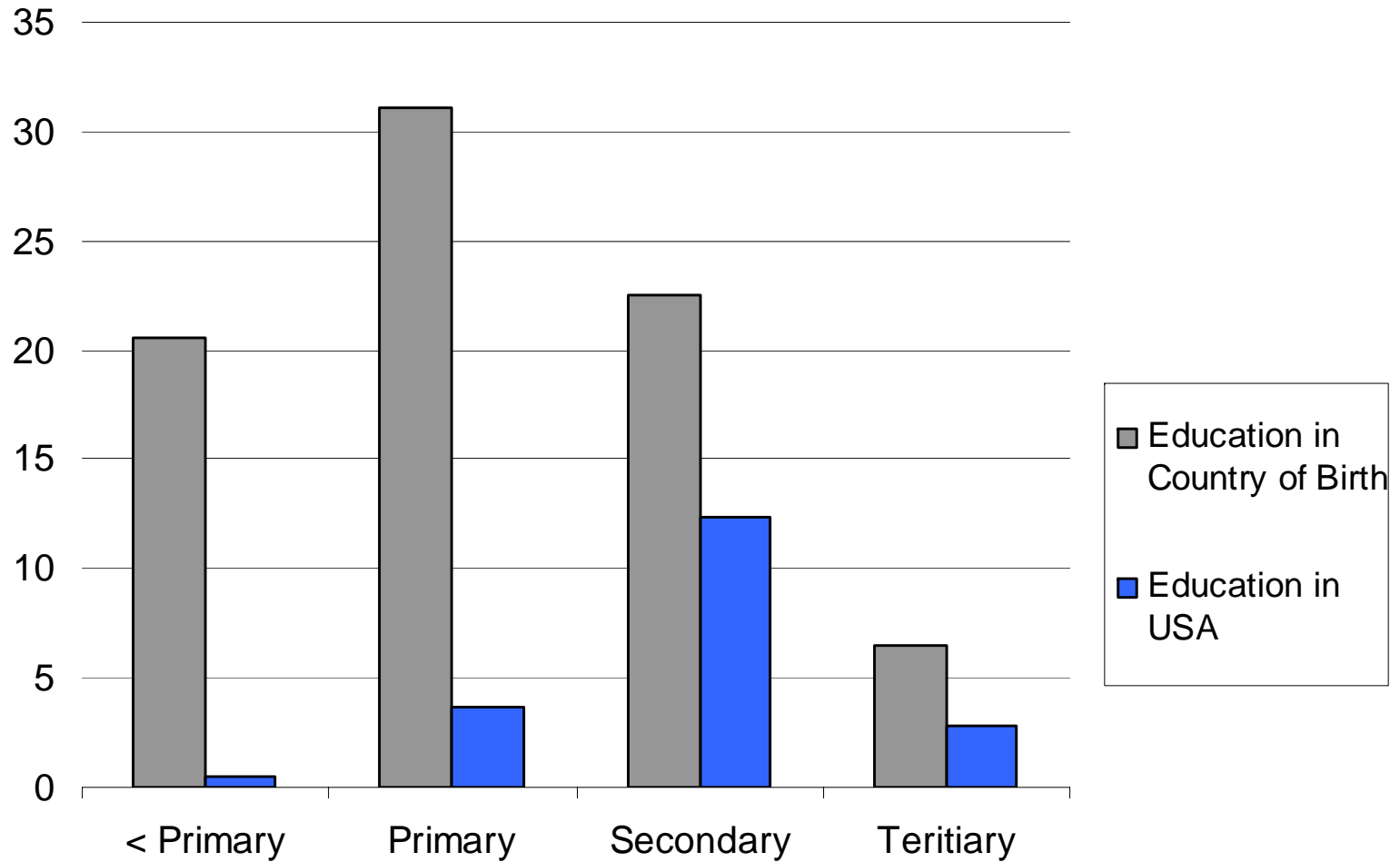
Source: Pew Hispanic Center, University of Southern California

Male Mexican Born Adults Living in the USA by Completed Education, Percent



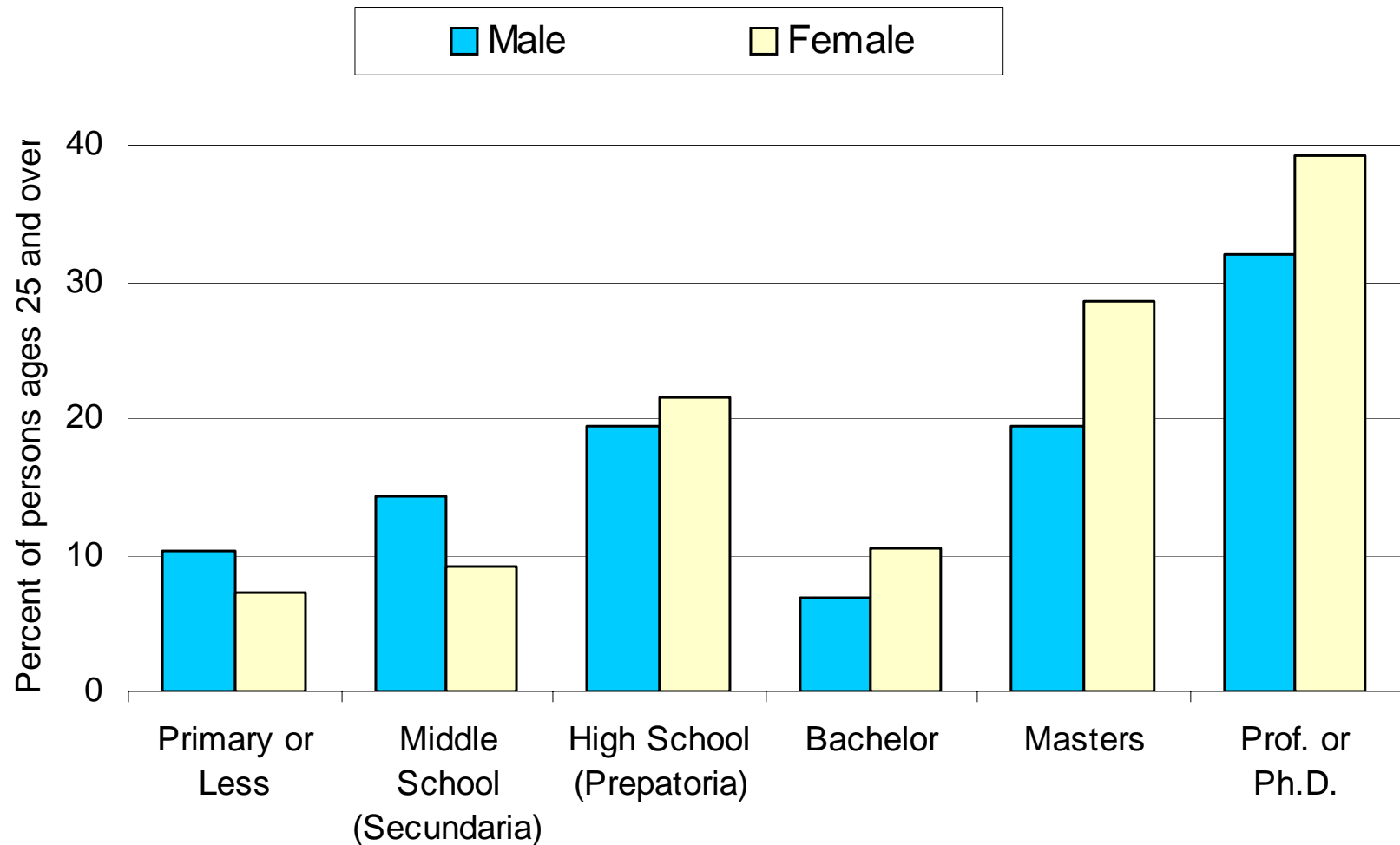
Source: B.L. Lowell, US Census and Barro and Lee, 2002.

Percent of Mexicans Living Abroad by Level and Place of Education, 2000



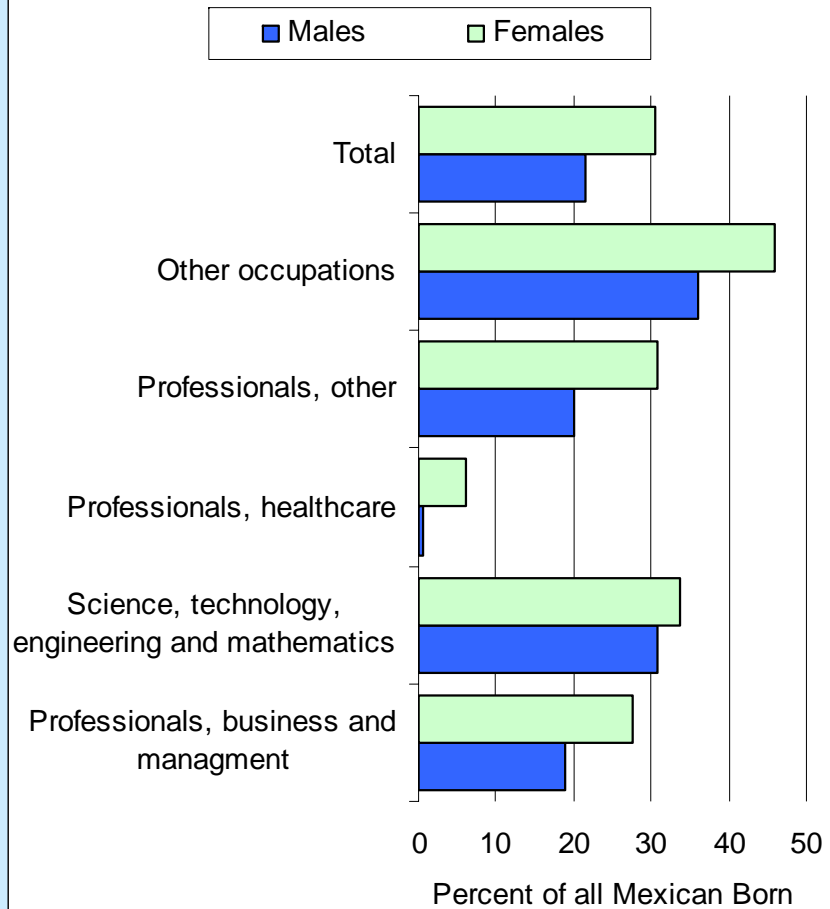
Source: Lowell, ISIM

Percent of All Mexican Born Adults Residing in the United States by Level of Completed Education, 2000

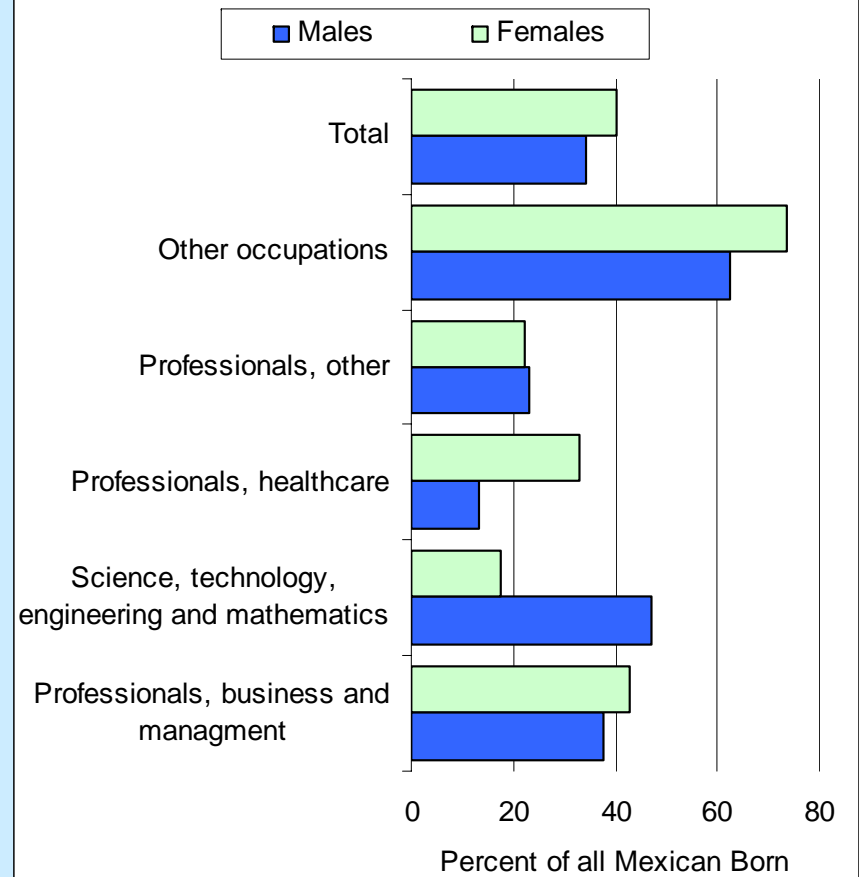


Source: Mexican and U.S. Census microdata

Mexican Born Professionals with Master Degrees in the United States, 2000



Mexican Born Professionals with Doctorate Degrees in the United States, 2000



Policies to combat brain strain and optimize skilled mobility

- Lobby receiving countries to care
- Policies that encourage return
- Investment in diasporas

- Source countries can do many things
- Leveraging diasporas

POLICY OPTIONS FOR INDUSTRIAL RECEIVING COUNTRIES

Source: Lowell and Findlay (2002).

Migration policies to help protect the interests of developing countries

- Encourage temporary stays.
- Restrict duration of stay or immigration from at-risk countries.
- Make recruitment agencies and employers accountable.
- Establish best practices on foreign workers.
- Facilitate return migration.

International migration policies: bilateral agreements and harmonization

- Bilateral and multilateral agreements: appropriate for occupations in chronic undersupply
- GATS trade in services, etc.: need to standardize/ expand definitions and code of conduct

Diaspora options: expatriates as a resource for development

- Create expatriate organizations.
- Create incentives for return investment.

Policies to facilitate economic development

- Development assistance and education.
- Strengthening institutions and human rights.
- Targeted economic development.

Priorities for future research

Agreements needed about critical data items to collect on a regular basis.

POLICY RESPONSES OF SOURCE COUNTRIES: “SIX RS”

Source: Lowell (2002).

Return of Migrants to their Source Country

Return is one important way to cultivate human capital for source countries.

Restriction of International Mobility

Overly restrictive admissions risk of impeding positive effects, but overly competitive admissions run the risks of creating brain drain.

Recruitment of International Migrants

Policies need to seek a balance on admissions. Recruitment agencies may require regulation.

Reparation for Loss of Human Capital (Tax)

Reparation presents serious problems. Instead, source countries might tax citizens abroad.

Resourcing Expatriates (Diaspora Options)

Increase communications, knowledge transfer, remittances, and investment.

Retention through Educational Sector Policies

Fostering faculty and student exchange; ensure that source countries keep original investment.

Retention through Economic Development

Giving people a reason to stay (or return) is doubtless the most effective policy for long-term boosting of human capital.