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## CHAPTER 3

# CRISIS BRAIN DRAIN: SHORT-TERM PAIN/LONG-TERM GAIN?

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### Introduction

In the context of the debt crisis, recession, austerity and their socio-political consequences, Greece is experiencing a new major wave of out-migration. Emigration has become a survival strategy for many people who are finding it hard to make ends meet, while, at the same time, it has also emerged as an increasingly appealing option for others in less pressing need, who see their chances of a career severely reduced.<sup>1</sup> A large part of the outflow comprises young graduates, thus raising concerns about the negative impact of the ongoing brain drain on the country's economy and society. The crisis-driven emigration of professionals that accounts for approximately two-thirds of the outflow has turned Greece into a major exporter of highly skilled labour to the countries of Northern Europe, thus replicating older 'core – periphery' relations within the EU.

While most of the pre-crisis emigrants saw their migration as a significant career move and many planned eventually to return to Greece, only a minority of the post-2010 migrants view their emigration in that way. Most of them emigrate because they feel they lack any prospects in their home country and due to their overall disappointment

39 in the socioeconomic situation in Greece, feelings which often go hand-  
40 in-hand with a deep disillusionment with the Greek political  
41 establishment and with state institutions. They make use of the right  
42 of freedom of movement, seeking a better future in other countries in the  
43 European Union, whose institutions they also blame for the  
44 socioeconomic condition their country currently finds itself in due to  
45 the extreme austerity policies imposed by the Troika.

46 In this chapter we explore the magnitude, dynamics and impact of the  
47 current emigration flow of young graduates. Placing the phenomenon of  
48 the Greek brain drain in a historical continuum, we argue that its  
49 structural preconditions predate the crisis. In historical terms it is a  
50 phenomenon that can be primarily attributed to the low demand for  
51 highly skilled work in the Greek labour market and to related weaknesses  
52 in Greece's developmental plan, a situation that has led to an accumulated  
53 loss of competitiveness over time. Yet it is only now that the brain drain  
54 has reached critical proportions, raising concerns about the prospects of  
55 recovery of a country that is being increasingly deprived of its young,  
56 educated workforce, an indispensable part of any attempt to ameliorate its  
57 production model. The combined effect of the emigration of a highly  
58 educated labour force on the one hand and recession and austerity on the  
59 other and their mutually exacerbating relationship thus risks imposing a  
60 cycle of underdevelopment on the Greek economy.<sup>2</sup>

61 Taking into account the experiences and aspirations of the emigrants  
62 themselves as well as critical voices from the literature that warn against  
63 overly optimistic views of highly skilled migrants as agents of  
64 development, we conclude this chapter by suggesting concrete policies  
65 that could be implemented in the shorter and medium term. These are  
66 proposed as a means of alleviating the negative consequences of the  
67 phenomenon, and potentially turning the situation into an opportunity  
68 for the restructuring of the country in the future, provided that a viable  
69 and realistic agreement is reached in respect of Greek debt and that  
70 austerity policies are abandoned. It is suggested that, in the current  
71 circumstances, this could not be done by focusing on a repatriation  
72 policy, since return in the short term is neither part of the plan nor an  
73 aspiration for most of the emigrants.<sup>3</sup> Instead it could be done through  
74 establishing different means of cooperation, leading to the development  
75 of viable and sustained transnational ties between the expatriates and the  
76 Greek society and economy.

### Development, the migration of professionals and the knowledge economy

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Around the year 2000, levels of emigration among highly skilled people worldwide exceeded the rate of emigration of people with lower educational qualifications.<sup>4</sup> Apart from the self-selectivity of migration, i.e. the fact that the highly skilled are among those most likely to move and indeed most capable of doing so, global competition for highly skilled professionals has increased in the past few decades triggered by neoliberal deregulation and encouraged by selective migration management schemes in many destination countries of the North.<sup>5</sup> This competition is related to an increased demand for highly specialized skills and to the rise of the so-called 'knowledge economy' in which human capital is seen as a vital factor in the economic development process.

The concept of the 'knowledge economy' was introduced in the mid-90s to account for the role of knowledge and innovation in economic development, especially in areas such as IT or biotechnology.<sup>6</sup> Others proposed instead the term 'learning economy' to emphasize the fact that 'the most important feature of modern economies is not only very intense use of knowledge, but rather that the existing knowledge depreciates very fast'.<sup>7</sup> In this context, expanding and upgrading their knowledge-base and human capital resources has become a central feature of the development strategy for countries (as well as cities and regions) either through training of the labour force, or by attracting highly educated people and people working in the creative industries.<sup>8</sup>

By contrast, the international migration of professionals presents a major challenge for sending countries, which are commonly also among the less highly developed ones. These countries see their position further weakened in this global competition,<sup>9</sup> whereas receiving countries are able to reap the benefits of a skilled labour force in which they have not invested.<sup>10</sup> Negative repercussions include a decrease in the average educational levels,<sup>11</sup> loss of public funds invested in the formation of this human capital<sup>12</sup> as well as, in many cases, loss of incoming physical capital, given that physical capital often follows human capital flows.<sup>13</sup> Most crucially the international migration of professionals may be detrimental for the longer term development potential of countries of origin. Yet this is an issue on which views have been divided in the

115 literature. On the one hand, there are those who argue that international  
116 migration of professionals massively erodes the human capital and  
117 fiscal revenues of sending countries, driving them into a spiral of  
118 underdevelopment. On the other, there are those that argue that  
119 international migration of professionals may act as a potent force for  
120 developing the economy of sending countries through remittances,  
121 trade, direct foreign investment, and knowledge transfer.

122 Following broader ideological and paradigm shifts one may see  
123 variations in terms of the predominance of one or the other viewpoint  
124 over time.<sup>14</sup> For instance, in the 1970s and 1980s scholars influenced by  
125 dependency theory rightly criticized earlier ideas anchored to the  
126 modernization paradigm that linked migration with development  
127 through a supposed optimal equilibrium between capital and labour,  
128 something that was expected to follow flows of remittances and human  
129 capital between developed and less developed countries. Reversing the  
130 causality of the equation, they argued that it is underdevelopment in the  
131 periphery (caused by dependency on and exploitation by the countries of  
132 the core) that leads to the emigration of the highly skilled, which in turn  
133 feeds further underdevelopment in the periphery and contributes to  
134 sustaining inequalities on a global scale. In this context, the brain drain  
135 was seen as one of the ways through which migration acts as an  
136 exploitation mechanism for countries of the periphery.

137 More recently such views are once again being questioned. On the  
138 one hand, this is done by reasserting arguments based on  
139 neoclassical economics, presenting migration as a means towards the  
140 better allocation of production factors, higher productivity and the  
141 win–win situation envisaged to follow. Migration, it is argued, enables  
142 people to increase the returns on their skills and their ‘human capital’,  
143 which is to their own advantage as well as to the benefit of the economies  
144 of the sending and receiving states. Yet, the ‘triple-win’ potential it  
145 supposedly entails (for countries of origin and destination, and for the  
146 migrants themselves), is based on functionalist, competition-driven and  
147 economically deterministic views that are rarely confirmed in practice.<sup>15</sup>

148 On the other hand, views about the detrimental consequences of  
149 international migration of professionals on the development potential of  
150 the countries of origin are also challenged by diaspora scholars and those  
151 studying processes of transnationalism, who conceive the presence of a  
152 highly educated labour force abroad as a mobilized asset for sending

153 countries.<sup>16</sup> Those scholars highlight the importance of expatriate  
 154 networks, which can potentially form a significant resource when they  
 155 are connected to countries of origin. They also stress that the negative  
 156 aspects of the brain drain phenomenon can be – under certain  
 157 circumstances – reversed. There are two ways for a country to benefit  
 158 from its professionals working abroad. One is to focus on their return  
 159 (‘return option’) and the other is to try to utilize this human capital,  
 160 taking for granted that it will remain abroad (‘diaspora option’).<sup>17</sup> Until  
 161 the 1980s, national and international policies focused on controlling the  
 162 loss of professionals or on mitigating the negative impact by tax  
 163 incentives for those who returned. However, the results were in most  
 164 cases unsatisfactory.<sup>18</sup> More recently most of the initiatives have focused  
 165 on the so-called diaspora option. The aim is to capitalize on the  
 166 networks, recourses and knowledge of the nationals abroad through  
 167 remittances, investments and ‘brain exchange and circulation’.<sup>19</sup>

168 However, despite the need to recognize the day-to-day contributions  
 169 migrants make to improve the well-being, living standards and  
 170 economic conditions of countries of origin and related empirical  
 171 evidence indicating that migrants can potentially accelerate develop-  
 172 ment, there is also a need to acknowledge that they cannot set in motion  
 173 broader processes of human and economic development all by  
 174 themselves. Warning against overly optimistic views, de Haas<sup>20</sup> argues  
 175 that the recent policy focus on the role of diasporas fits into neoliberal  
 176 development paradigms that tend to overemphasize the power of  
 177 markets and individuals to bring about political-economic change and  
 178 social transformation.<sup>21</sup> Such views risk neglecting broader structural  
 179 constraints such as ingrained socioeconomic and power inequalities.  
 180 Moreover, they also underplay the significant role that may continue to  
 181 be played by emigration states on the one hand – by creating favourable  
 182 conditions for human development – and by immigration states on the  
 183 other – through policies that empower (rather than exploit) migrants  
 184 and thus maximize their social, human and economic capacity to  
 185 contribute to development in their countries of origin.<sup>22</sup>

### 187 **The structural preconditions to the Greek brain drain**

188  
 189 In the post-war era up until the 1970s emigration flows almost  
 190 uniformly comprised people with little formal education who left the

191 country to fill the gaps in the booming industrial sectors of Western  
192 countries, especially in Europe. Highly skilled migration was to a large  
193 extent a matter of choice for the upper classes, and many emigrants left  
194 the country for reasons other than employment.<sup>23</sup> However, labour  
195 market restructuring led to the deterioration of employment  
196 opportunities for those born from the 1970s onwards and to ongoing  
197 relatively high unemployment, underemployment and employment  
198 precariousness in the 2000s.<sup>24</sup>

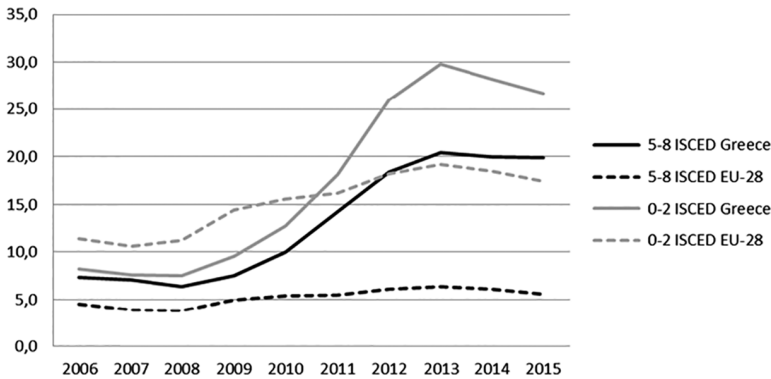
199 This was *not* mainly due to Greeks being ‘over educated’, as  
200 conventionally assumed.<sup>25</sup> While the numbers of those with a university  
201 degree have increased substantially in past decades, they are not among  
202 the highest in Europe or, in more general terms, in the developed world.  
203 In particular, in the period 2006–2015 Greece ranked 21st in the EU-  
204 28 with 29.3 per cent of the population aged 25–44 having  
205 completed tertiary education, which is lower than the EU-28 average  
206 (31.7 per cent), as are the percentages for graduates in the 25–34 and  
207 25–64 age brackets. In fact, the rapid expansion in the take-up of  
208 tertiary education in Greece was not matched by a corresponding  
209 increase in demand for high-skilled human capital by businesses in  
210 Greece. Indicatively, Greece had one of the lowest rates of employment  
211 in high-technology sectors in 2008–2015 in the EU, while Research  
212 and Development expenditure in Greece is much lower than the EU-  
213 28 average and the comparison is even more unfavourable when  
214 it comes to the contribution of the private sector (54.6 per cent EU,  
215 32 per cent GR). Thus the explanation for the unfavourable conditions  
216 for graduates in Greece in past decades lies not in the supply side of a  
217 supposedly excessively highly skilled workforce, but rather in the  
218 demand side of a labour market failing to absorb this workforce.<sup>26</sup>

219 Greek firms, mostly due to their small size and several other  
220 related weaknesses, have been mainly focused on the production of low-  
221 cost products and services and have avoided any attempts at upgrading,  
222 including the infusion of technology and innovation. These  
223 characteristics have hindered the utilization of a highly educated labour  
224 force that could act as an intermediary between universities/research  
225 centres and the private sector. Combined with the fact that the Greek  
226 Research and Development system is not able to attract and retain the  
227 growing number of qualified scientists, this has led a significant share of  
228 these graduates to migrate abroad, in order to seek employment with

229 better prospects elsewhere.<sup>27</sup> Moreover, the ‘informality’ of the national  
230 economy as well as nepotism have affected the relative significance of  
231 graduates in the Greek labour market. The migration of professionals to  
232 specific countries was also influenced by the average wages of graduates  
233 in those countries. As our 2009–2010 survey showed,<sup>28</sup> outside Greece  
234 there is a clear correlation between levels of education and salaries, but  
235 when migrants returned to Greece they tended to have lower wages that  
236 did not increase in tandem with their academic qualifications.

237 As a result, even before the outbreak of the crisis a considerable  
238 number of highly skilled young Greeks had been emigrating for better  
239 career prospects, better chances of finding a job related to their  
240 specialization, a satisfactory income and increased opportunities for  
241 further training. Yet, the outmigration of graduates intensified  
242 significantly as job opportunities shrank in the shadow of the crisis  
243 and once public sector employment was no longer an option as a result of  
244 cuts and restrictions in new recruitments.<sup>29</sup> A comparative presentation  
245 of unemployment rates in Greece and the EU over the past ten years  
246 provides a graphic depiction of Greece’s exceptionalism as regards the  
247 position of the highly skilled in the labour market and explains the sharp  
248 increase in emigration among these workers in the period of the crisis.

249 As seen in Chart 3.1, in the years directly preceding the onset of the  
250 global financial crisis and up to 2010 unemployment rates among the  
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264 Chart 3.1 Unemployment levels in Greece by educational attainment.  
265 Source: Eurostat ([http://appsso.eurostat.ec.europa.eu/nui/show.do?datas  
et=lfsa\\_urgaed&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?datas<br/>266 et=lfsa_urgaed&lang=en))

267 poorly educated (0–2 ISCED) were significantly lower in Greece than  
268 the EU-28 mean. In fact from 2006 to 2008 they were on a par with  
269 those of graduates, indicating that education did not provide significant  
270 advantages in terms of access to the labour market in Greece. This  
271 changed with the crisis, which had a direct and much more acute impact  
272 on the less privileged. In Greece, as elsewhere in Europe, unemployment  
273 rates for less well educated people became higher than for those with  
274 higher education. Yet, while in most European countries the  
275 unemployment rates of more highly educated people increased only  
276 marginally, if at all, in Greece they skyrocketed, being almost four times  
277 higher those of the EU-28 mean, making the push-pull factors for  
278 Greeks with higher education particularly strong.

### 280 **Greek emigration in times of crisis**

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282 In the context of a contraction in GDP of more than a quarter between  
283 2008–2014, the crisis in Greece severely undermined the employment  
284 prospects of the entire workforce and also brought about steep decreases in  
285 earnings, welfare provision and allowances. The combined effects of  
286 recession, extreme austerity, and a concomitant generalized mistrust of  
287 institutions and the political system changed mobility intentions  
288 drastically. While until recently Greek citizens were amongst those  
289 Europeans who least favoured long distance mobility, many people have  
290 been forced by circumstances to change their views in a very short period  
291 of time.<sup>30</sup> According to EUROSTAT, in a four-year period, from 2010 to  
292 2013, approximately 208,000 Greek citizens left Greece and to that  
293 number we should add an approximately equal number of foreign  
294 nationals, who returned to their countries of origin or were forced to  
295 migrate again due to the crisis. In a recent study we conducted,<sup>31</sup> which  
296 included a nationwide representative survey of 1,237 households in Greece  
297 (Hellenic Observatory survey, HO survey from here on), we estimated that  
298 the total emigration outflow of Greek citizens from 2010 until the end of  
299 2015 ranged between 280,000 and 350,000 people. Given our findings on  
300 return migration in that period, which was recorded as 15 per cent of the  
301 total outflow, we can estimate that by the end of 2015 240,000 to 300,000  
302 post-2010 Greek emigrants were living abroad.

303 The magnitude of the outflow has attracted considerable media  
304 attention and has triggered a public debate on the ongoing Greek brain



305 drain. Yet the discussion is often characterized by two misconceptions.<sup>32</sup>  
306 First, the emigration of the highly skilled is presented as a new  
307 phenomenon resulting from the crisis, while the underlying structural  
308 causes of the phenomenon are not addressed. Second, the crisis-driven  
309 emigration is presented as exclusively pertaining to the young and the  
310 educated and the emigration of older people, the less well educated, or  
311 minority groups is often neglected.<sup>33</sup> The crisis has amplified push factors  
312 that already existed in Greece for the highly skilled, intensifying their  
313 emigration patterns. But it has also impacted on the mobility aspirations  
314 and practices of people of other socioeconomic backgrounds. Even though  
315 they form a minority of emigrants, the crisis seems once again to be  
316 pushing people of lower educational backgrounds out of the country.

317 Thus, the emigration of the highly educated in the post-2010 period  
318 should be understood as a continuation of an earlier ongoing phenomenon  
319 and a part, albeit a very significant one, of the new crisis-driven  
320 emigration. According to the findings of the HO survey approximately  
321 190,000 graduates live outside Greece, of whom more than half  
322 emigrated after 2010. Two out of three of the post-2010 emigrants are  
323 university graduates and one fourth of the total outflow represents people  
324 with postgraduate degrees or who are graduates of medical schools and  
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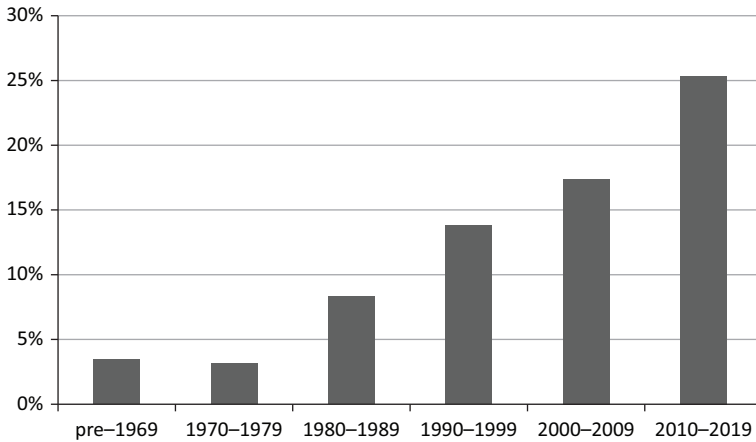
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340 **Chart 3.2** Percentage of postgraduate emigrants by decade of emigration  
341 (including graduates of 6-year medicine and 5-year engineering degree  
342 programmes). Source: HO Survey data

343 polytechnics. As seen in Chart 3.2, the percentage of those emigrants as  
344 part of the total emigration outflow has risen considerably since 2010.  
345 Thus it is not only the sheer numbers of professionals emigrating that has  
346 vastly increased but also the percentage of those with the most years in  
347 education, thus constituting a double drain on the country.

348 The new emigrants are heading to a variety of destinations from the  
349 Middle East to the Far East and from Eastern Europe and the Balkans to  
350 Canada and Australia. The vast majority, however, seem to be heading  
351 to EU countries. Germany and the UK in particular attract by far the  
352 largest share of the outflows, accounting for more than half of the post-  
353 2010 emigration. Our HO survey data indicates that there are  
354 differences in terms of the educational background of the emigrants  
355 according to the country of destination. Those who immigrate to Britain  
356 are almost exclusively people with high educational qualifications, while  
357 Germany attracts a considerable number of people with low to medium  
358 levels of education (43 per cent of the total inflow) in addition to the  
359 highly educated.

360 According to the HO survey data, those with low to medium levels  
361 of education commonly find jobs abroad via their social networks,  
362 while highly educated emigrants find jobs mostly through  
363 applications for (publicly advertised) vacancies based on their own  
364 attainments. It thus seems that more poorly educated people migrate  
365 to Germany and other former guestworker destinations because they  
366 can make use of social networks that are available to them from earlier  
367 emigrations.

368 Concerning the economic background of the emigrants, our findings  
369 indicate that, after the year 2000, the households with very high  
370 incomes are the ones that are the most likely to 'send' emigrants abroad;  
371 a trend that has persisted in the crisis period. In particular, for the period  
372 2010–2015, emigrants from households with very high incomes  
373 comprise 9 per cent of the total outflow, even though those households  
374 form only 2 per cent of the total survey sample. Emigration is a costly  
375 project and thus more easily undertaken by those with means. However,  
376 the adverse socioeconomic position in which many people have found  
377 themselves as a result of years of austerity politics in Greece has led to a  
378 sharp increase in the rate of emigration of people from 'low to very low'  
379 income households. While before the crisis this category used to be  
380 the least prone to emigrate, they now constitute 28 per cent of the

381 post-2010 emigration outflow, a percentage that is on a par with their  
382 share in the total sample (26 per cent).

383 Change is also observed in the breakdown by age of the emigrant  
384 population. According to the HO survey data, the average age of  
385 emigrants is 30.5 years in the post-2010 period, which is 6 years higher  
386 than in the 1990–1999 period (24.3). As regards remittance flows,  
387 according to the HO survey findings, the vast majority of migrants  
388 neither send nor receive money (68 per cent). It thus appears that  
389 emigration contributes mainly to the subsistence and/or the socio-  
390 economic progress of the emigrants themselves and not of the household  
391 as a whole. Only 19 per cent of emigrants, who come, as might be  
392 anticipated, mainly from low and very low income households, send  
393 money to Greece. The low volume of remittances is further corroborated  
394 by data from the World Bank according to which their value has been  
395 progressively decreasing from 2008 onward.<sup>34</sup>

### 397 **Feelings of attachment and prospects of mutual** 398 **assistance and knowledge transfer** 399

400 As noted above, since the early 2000s the diaspora option has become  
401 the most popular policy response by governments facing considerable  
402 outflows of highly educated people. Yet such policies are often driven  
403 by a narrow definition of the communities they recognize as their  
404 diasporas. In so doing they overlook the multiplicity of the aspirations  
405 of nationals abroad, while restricting their attention to a certain  
406 segment of the diaspora whose practices they try to channel towards a  
407 certain predefined developmental plan.<sup>35</sup> Such an approach limits the  
408 potential for cooperation and can alienate people and organizations that  
409 are already engaging in all kinds of development activities in the  
410 broader sense of the term and not necessarily equated with economic  
411 growth. In addition, interconnected questions concerning on the one  
412 hand the ability and on the other hand the willingness of nationals  
413 abroad to help should be central to any policy approach that reaches out  
414 to them. Below, drawing on 21 in-depth interviews that were  
415 conducted with highly skilled emigrants in the city of Amsterdam and  
416 the Greater London area in the context of the EUMIGRE project,<sup>36</sup> we  
417 provide some evidence about the aspirations of Greek expatriates and  
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419 the potential for knowledge exchange and cooperation with  
420 institutions, professionals and businesses in Greece.

421 Analyzing the accounts of our informants on how they relate to  
422 Greece, we can see that, in some cases, the crisis and the grim  
423 socioeconomic situation in Greece had triggered the urge to act and ‘do  
424 something’, especially among those most settled abroad (the majority of  
425 whom had left before the crisis).<sup>37</sup> It should be noted that in the two  
426 cities in which we conducted the research there were already a number of  
427 new initiatives in place with very diverse aims, such as trying to organize  
428 and mobilize the diaspora, providing orientation to newcomers,  
429 channelling economic support to Greece, debunking negative  
430 representations about Greece abroad, informing and supporting  
431 potential investors in Greece, assisting emigrants in developing new  
432 innovative businesses, etc.<sup>38</sup>

433 Most of our informants told us that they felt very close to family and  
434 friends in Greece and were deeply concerned about their conditions and  
435 the gloomy prospects back home. The vast majority of them also  
436 expressed strong feelings of attachment to Greece as a place and physical  
437 environment and constructed a positive image of contemporary  
438 ‘Greekness’ with reference to an extrovert way of life and the more  
439 caring attitude in social terms that they felt characterized everyday  
440 culture in Greece. They contrasted this image positively with what they  
441 identified as the individualistic life of Western Europe. Several of our  
442 informants also told us that they came to feel more Greek outside Greece  
443 than they did when living there. The experience of migration made them  
444 re-evaluate positively certain aspects of what they identified as Greek  
445 culture. Equally important for some of them was the emphasis on  
446 Greekness as a quality stemming from the ancient heritage in which they  
447 felt they had a part and which was a source of pride to them and a way of  
448 boosting their self-esteem in their interpersonal interactions with non-  
449 Greeks abroad. It was this quality, however, that they deplored as absent  
450 from present-day Greece.

451 To our question about their willingness to develop transnational  
452 professional collaborations with institutions and businesses in Greece,  
453 several of our informants claimed that they would like to do so and some  
454 described concrete plans they had already implemented or were about to.  
455 Development of transnational activities and transfer of knowledge  
456 between Greece and the countries of settlement of the new emigrants is

457 already a reality. Yet our material also highlights a number of barriers that  
458 the emigrants perceived to exist or experienced in their attempts to engage  
459 in partnerships or transnational activities with Greece. Some of our  
460 informants, for instance, expressed reservations about pursuing any such  
461 plans in the light of what they described as a typically Greek narrow-  
462 minded attitude of suspicion towards new ideas and envy of success.  
463 At the same time, many of our respondents were very critical about Greek  
464 state institutions, bureaucracy and the business culture in Greece and  
465 made reference to a lack of transparency in employment conditions,  
466 onerous bureaucracy in dealings with the state and insufficient support by  
467 institutions.<sup>39</sup>

468 It should be noted that the more recent emigrants were the least  
469 inclined to engage in any sort of transnational activity with Greece.  
470 That was for two reasons. First, many of them felt betrayed by the  
471 Greek state and some of them told us that they felt that they were  
472 pushed out of their country. Their bitterness made them negative  
473 about trying to reconnect with Greece. They considered it quite  
474 reasonable to focus their energy on building their life abroad and felt  
475 that any engagement with Greece would be a backward  
476 step. Moreover, and not unrelated to this, it should be noted that  
477 several of the more recent emigrants are still struggling to build lives  
478 for themselves in Amsterdam and London and in that context  
479 developing relations with institutions and people in Greece was not  
480 currently a priority to them.

481 This was particularly the case for people seeking work in fields not  
482 highly valued in the labour market of their destination cities and, in the case  
483 of Amsterdam, in jobs for which fluency in the local language was  
484 essential.<sup>40</sup> Unlike those specialized in fields such as IT and engineering,  
485 who could easily secure employment abroad, others, usually graduates in  
486 the humanities and social sciences, found it much more difficult to find  
487 employment that matched their qualifications. If they lacked the necessary  
488 economic resources to invest further in their training and education or to  
489 support themselves until they had built up their social networks in the  
490 receiving country and improved their language skills, in many cases they  
491 ended up working for extended periods in jobs below their skill levels.  
492 Such difficulties in adapting to their destination countries obviously  
493 weakened their capacity and willingness to seek any transnational ties  
494 with Greece.

### Policy recommendations

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Greece has long postponed the move from a low-cost to a knowledge-based economy, despite the fact that since the 1990s a significant upward trend in higher education studies was observed in the country. As a result, the Greek economy has been unable to take advantage of the presence of a highly educated workforce and even before the crisis many highly educated people left the country in search of employment that corresponded to their qualifications and career ambitions. In the past few years, in times of crisis and austerity politics, the ongoing brain drain has acquired alarming proportions, triggered by a sudden aggravation of the unfavourable conditions in the national labour market that were already acting as push factors.

In this context, the need for a state policy aimed at alleviating the negative consequences of this phenomenon is acute. In the current circumstances focusing on a repatriation policy will not do, since return to Greece in the short term is not something most emigrants are planning or indeed dreaming of. Instead the focus should be on helping to develop means of cooperation which could lead to the development of viable and sustained transnational ties between them and the Greek society and economy.

Our findings in Amsterdam and London highlight the considerable willingness on the part of settled members of the Greek diaspora to develop transnational economic relations with Greece and indeed many people have already taken steps in this direction. Yet we also recorded considerable reservations towards state institutions, suggesting that any policy towards the diaspora should first concentrate on restoring the state's credibility in the eyes of expatriates. Policy aims should be framed in such a way as neither to appear patronizing nor to be treating Greeks abroad as owners of resources that can 'be tapped',<sup>41</sup> but rather as collaborators in a common mission. The approach needs to be as inclusive as possible and the measures aimed at the highly skilled recent emigrants needs to be part of a broader strategy addressing the diaspora as a whole. That means that the policy should also address older expatriate communities but also lower skilled migrants living abroad, recognizing their existing contributions and support, starting from the fact that they are the ones most likely to be sending remittances back home. Such an approach should thus also include interventions and

533 measures that support initiatives or structures abroad that empower low  
534 skilled emigrants as well as those better educated Greeks abroad who are  
535 facing difficulties. The smoother the adjustment of the emigrants to  
536 their new homes, the greater their willingness and ability to contribute  
537 to Greece is likely to be and the consulates could play a much more  
538 active role in that respect.

539 In relation to the group that forms our focus here, namely the  
540 more highly educated migrants and particularly the most settled  
541 among them, it is suggested that state policies should actively support  
542 existing bottom-up initiatives not only as a means of recognizing their  
543 contributions but also as a way of identifying the areas in which  
544 expatriates perceive opportunities or the need for action and as an  
545 optimal way of connecting and expanding relations with them.  
546 As Brinkerhoff argues, the aim should be to target interventions to those  
547 members of the diaspora who are already mobilized, willing, and able to  
548 contribute; that is 'governments should primarily target the mobilized,  
549 and not seek to mobilize the targeted'.<sup>42</sup> At the same time, Greek  
550 professionals working abroad should be considered as a significant  
551 'pipeline' connection between the Greek economy and productive and  
552 innovative international centres. Every Greek professional working  
553 abroad should be seen not only as a unit, but as a 'node' in a system with  
554 many connections that can link the Greek economy with this system.

555 Thus, state policy needs to be coordinated by a comprehensive  
556 structure operating on different levels and promoting the interconnec-  
557 tion of expatriate professionals with the Greek society and economy in a  
558 systematic and sustained way. The broad strategy could be devised by an  
559 executive body in the Ministry of Economy and Development, advised  
560 by a steering committee consisting of Greek professionals, entrepre-  
561 neurs, academics, researchers and artists who live and work abroad.  
562 Policy goals need to be informed by research findings and regular  
563 research into the brain drain phenomenon should be supported. At the  
564 same time, monitoring and evaluating policy goals and instruments  
565 should be a continuous process. On the public sector side, a lean and  
566 flexible operational team should also be set up to solve practical issues.  
567 A number of actions could be promoted by such a policy structure in the  
568 short term such as (a) the creation of a website that will provide  
569 constantly updated information for those wishing to return to or to  
570 cooperate with Greece while working abroad, (b) the organization of

571 events in Greece and abroad, in cooperation with charitable  
 572 organizations, private donors, Greek communities, and Greek  
 573 professional associations abroad, (c) the designation of liaison offices at  
 574 Greek consulates in countries with a significant concentration of Greek  
 575 academics, (d) the provision of incentives to build networks developing  
 576 relations with Greece as well as rewards for all notable initiatives, (e) the  
 577 promotion of schemes enabling collaboration between both the public  
 578 and private sector and those networks abroad, e.g. by creating  
 579 opportunities for expatriate Greek academics to participate in research  
 580 projects in Greece or by offering Greek professors abroad the chance of  
 581 dual appointments, or by promoting cooperation in the private sector in  
 582 the form of educational and training seminars taught by invited  
 583 professionals and (f) by encouraging alumni associations to establish  
 584 effective links between graduates who are either continuing their studies  
 585 or working abroad.

586 Such actions could provide a platform allowing emigrants to  
 587 transfer their ideas and knowledge through collaborations with  
 588 universities, research centres and private companies, by working  
 589 intermittently in their country of origin or by establishing their own  
 590 businesses, a 'bridge' that might later bring them back. That said,  
 591 while the issue of return may be seen as a longer term aim, the  
 592 containment or at least moderation of the ongoing outflow is critical at  
 593 present. The emigration of professionals has currently acquired  
 594 momentum and through a process of cumulative causation threatens to  
 595 alter the demographic make-up of the country and to bring about  
 596 significant labour shortages in certain fields of the economy, thus  
 597 further limiting their potential not only for advancement but  
 598 sustainability.<sup>43</sup> Thus small-scale actions with immediate results are  
 599 necessary to retain young graduates.

600 A number of such actions are being put into practice with the aim of:  
 601 (a) promoting self-employment among graduates, (b) allowing the  
 602 recruitment of people with doctorates to universities and technical  
 603 colleges, so that they can acquire academic teaching experience and  
 604 (c) promoting positive discrimination for young postdocs to be recruited  
 605 as teaching staff in the Open University. Yet further action is needed to  
 606 create a more challenging and attractive working and business  
 607 environment through incentives provided by the incentives law,  
 608 structural funds or the Juncker Plan. Moreover, ~~more~~ unravelling of



609 bureaucracy and better coordination among public institutions are also  
 610 required, as is the creation of an institutional framework that monitors  
 611 and ensures the quality of employment conditions. Finally, the setting  
 612 up of policies that enable people to take the first steps in starting their  
 613 own companies is critical, especially given the current high social  
 614 security/tax costs for freelancers in Greece. As a means to that end it is  
 615 suggested that NSRF funds would be better employed if allocated to  
 616 subsidizing the social security contributions of start-up companies and  
 617 freelancers rather than as one-off grants.

618 These policy measures are a necessary part of the process of altering  
 619 the mode of economic development of the country and steering the  
 620 economy towards the production of products and services with a higher  
 621 knowledge content. To that end the Greek state must publicly and  
 622 formally recognize the fundamental value of this human capital and  
 623 constantly encourage the creation of a more meritocratic labour market,  
 624 in order to ensure that the highly-educated labour force is not only  
 625 employed as befits its skills and knowledge, but also occupies a central  
 626 role in the Greek administrative/political system and the decision-  
 627 making centres. Even though highly skilled expatriates cannot steer the  
 628 process of changing the developmental model of a country all by  
 629 themselves, they can be extremely valuable partners in such a process.  
 630 In Greece's case, that could eventually help address the reasons that  
 631 led to their leaving in the first place, hence also enabling the return of  
 632 some of them with positive outcomes for the Greek economy, society  
 633 and culture.

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### Notes

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733 informants were aged from 26 to 38 years and they had emigrated to the  
734 Netherlands and England respectively from 2006 onward.
- 735 37. As mentioned above, many people were equally disillusioned and angry with  
736 EU institutions whose policies they blamed for driving their country into a  
737 downward spiral.
- 738 38. Examples of such organizations include: the Help Children in Greece  
739 foundation, the Neofixthentes stin Ollandia, the New Diaspora and the  
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