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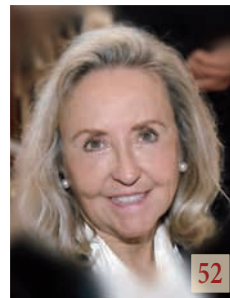
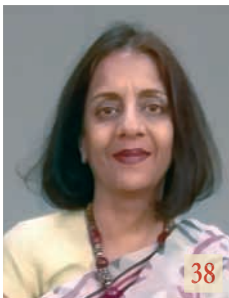
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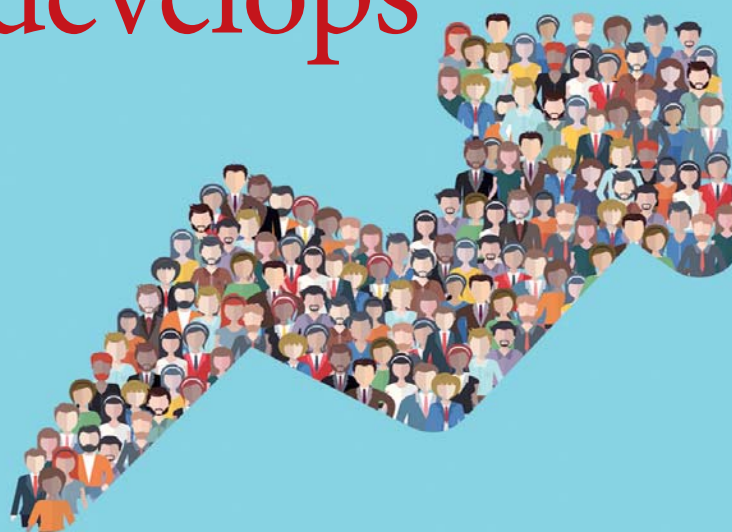


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Brain drain develops into brain circulation



Brain drain, the biggest collateral damage of the recent economic crisis, can and must be reversed through the opportunities in the so-called industry 4.0. The goal is to ensure that a large proportion of “scientific immigrants” return home, and also to attract highly skilled people from other countries to live and work in Greece - a “brain circulation”

By Lois Labrianidis

The recovery of the Greek economy based on policies and measures implemented under the National Development Strategy needs to be completed and enhanced by a Greek strategy for the 4th Industrial Revolution (industry 4.0) to ensure mid to long term sustainability and convergence with European levels.

In shaping this strategy, we must focus on specific technological and economic high value-added chains in the emerging technological revolution where Greece has the opportunity to take on a leading role, thus reaping significant benefits as a result. At the same time, we should adapt to European strategies already evolving value chains¹ aimed at maintaining the EU’s competitive position in the global economy.

The establishment of a national strategy for participation in the so-called industry 4.0 as a prerequisite to enhancing the upgrading of the country and gaining a sustainable future is a long term transformative project which is strongly desired

Industry 4.0

Industry 4.0 constitutes a consolidation of technologies (artificial intelligence, nanotechnology, photonics, advanced materials, biotechnology, micro-nano electronics, informatics) and robust connections between sec-

tors (new materials, biology, computer science). It is characterised by the potential proliferation of the so-called disruptive technologies², which represent completely new applications and products (artificial intelligence applications in health, autonomous movement, blockchain etc.) that within a short time change key data supply and demand in many fields through networking and communication between users. The result is unpredictable aberrations in the distribution and production process of many industries and products, regardless of their current competitiveness and innovation.

This process, which essentially allows a smaller company with fewer resources to successfully challenge established businesses, gives some countries that

'lag behind', like Greece, the opportunity for 'leapfrogging'.

The establishment of a national strategy for participation in the so-called industry 4.0 as a prerequisite to enhancing the upgrading of the country and gaining a sustainable future is a long-term transformative project which is highly desirable. However, immediate and active involvement at the core is required rather than passive adaptation as we urgently need to find ways to transform the 'investment gap' and the delay caused by the crisis in the so-called "advantage of those lagging behind". We must, therefore, identify those investment areas where there can be a 'development boost', a 'leadership shock' in technology.

Thinking capacity

One of the most important prerequisites is to create a comprehensive and coherent national innovation system, in which the four interrelated pillars (i.e. identifying areas for 'developmental leap', educating the respective human capital, creating all kinds of infrastructure and attracting funds) will effectively create a virtuous cycle. A condition for the complete transformation of the Greek economy to industry 4.0 is a radical increase in 'thinking capacity', both of the state in the narrower sense (through its transformation into a leading entrepreneurial state) and society in general. A key success factor in this transformation is an integrated strategy and the coherent co-ordination and effective implementation of specific policies and the pursuit of the widest possible (political and social) consensus on key goals. Key prerequisites for this two-way strategy is the creation and effective co-ordination of development policy tools, the re-evaluation of tools used in the past and the introduction of new ones

Criteria to identify value chains should be their technological innovativeness, their economic potential and the social and political importance in the context of a 'Mission Oriented Policies & Goals' approach. The most important condition for the transition to a knowledge economy, an economy based on the production of high added value products and services, and one more active

in industry 4.0 is the existence of high quality human capital – one of the key comparative advantages of Greece. But while human capital, particularly specialised human capital, are critical for the development of the Greek economy, since the 1990s there has been a significant flow abroad (brain drain), which, during the crisis grew alarmingly, with the total number of Greek professionals who were abroad in mid-2017 estimated at more than 250,000

The exodus of professionals abroad constitutes a major development loss and has a broader social, cultural and national dynamic. The Greek economy is already witnessing the results of this in the shortages in crucial sectors such as IT and medicine. Not only is the transition to a knowledge economy being undermined, as people with high-level skills and training is an indispensable prerequisite, but the demographic problem is also being exacerbated. If those who have left are necessary for the economic reconstruction of the country and for the promotion of the necessary broader socio-cultural changes, then their contribution to the transition to industry 4.0 is even more crucial.

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The mismatch

The mismatch between jobs offered and scientific personnel is not due to oversupply of graduates, as is often claimed, but to limited demand as Greek firms do not produce complex products or knowledge and technology-intensive services that require the employment of skilled manpower. This mismatch causes high rates of unemployment, underemployment, job mismatch and employment in jobs below the qualifications of the employee. If we want the Greek professionals who



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emigrated abroad to return, we must work to eliminate the reasons for their departure, i.e. ultimately change (over the longer term) the pattern of economic development of the country.

The initiative 'Knowledge and Partnership Bridges' (<https://www.knowledgebridges.gr/>) is designed to help address the problem, both in the short and medium to long term. Its aim is not only to create an online community 'interlinking' all Greek professionals, regardless of where in the world they may be, but also to keep them linked to Greece as long as they remain abroad. Through this interconnection, any knowledge and experience earned can be passed on, whether they choose to continue working abroad or are interested in either returning or investing in Greece.

Create 'bridges'

This initiative aims to create 'bridges' that allow Greeks abroad (either recent immigrants or immigrants of previous generations³) to reconnect with the country through co-operation with Greek business and scientific institutions.

As networks are increasingly power players in the international economy, and a number of Greek professionals

working abroad hold important positions in business and in the research-academic world, their interface will have a multiplier effect both for themselves and the country in general.

After exiting the Memorandum in August 2018, the fate of the country is once again in Greek hands. Our development policy will no longer be defined by others, though of course this does not mean that it will not meet commitments or will return to the easy solutions of the past. Under such conditions, therefore, it would be advantageous if more professionals returned sooner to the country to contribute to the economic-social restructuring instead of waiting to return when the country has become an 'ideal' place to live and work (no bureaucracy, minimum taxation, major social benefits, etc).

But the debate has another dimension: how will the one-dimensional exodus of highly-skilled human capital transition to a balanced relationship between those who are coming and those who are leaving; how will 'brain drain' can be turned to 'brain circulation'? The next step should be ensuring that brain drain in Greece stops and ways are found not only to enable a large proportion of those who have already left to return, but also to attract highly skilled people from other countries to live and work here - attracting, therefore, enterprises and investments based on qualified manpower!

In this way, we can help address a problem that has plagued the Greek economy for decades and is not the result of the crisis, namely the inability of the country to attract Foreign Direct Investment.

In a globalised society, flows (goods, money and people) are far more and this is even more pronounced within the EU. Continuous improvement of transport and communication systems has resulted in more 'soft' borders, and drastically reduced travel time, reducing the importance of geographic distance. Most people today, whether living on individual farms or in large cities, can easily travel to other areas and communicate with other people over long distances while depending on products and services outside their immediate environment. People may even live in one

country and work in another. The limits of 'here' and 'there' are now unclear.

Attract highly qualified people

The medium-term objective of the country, therefore, must not be limited to halting the departure of Greek professionals or encouraging their future return, but should extend to attracting highly qualified people from other countries to live and work in Greece. This will both facilitate investment based on skilled manpower, and contribute to our country becoming more attractive to Greeks living and working abroad.

The mismatch between jobs offered and scientific personnel is not due to oversupply of graduates, as is often claimed, but to limited demand as Greek firms do not produce complex products or knowledge and technology-intensive services that require the employment of skilled manpower

This step is indeed realistic, as the investment environment has now improved and the country has high quality human capital and a quality of life that can make it attractive for knowledge-intensive investments, in addition to investments in sectors where the country has natural and/or comparative advantages such as tourism, the food processing industry, or energy. Additionally, Greece has a number of strong competitive advantages especially when compared with neighbouring countries: established democracy, significant geostrategic position, an EU member state and good traditional relations with most of the east and the countries to the south. Greece has become an island of stability, security and guaranteed democratic and humanistic values in a relatively turbulent region. It has high quality human capital with proportionately low cost fees, language skills across the general population, excellent climate, beautiful nature, culture, quality amenities available and infrastructure (e.g. high quality schools) and the quality of everyday life in Greece (sun, 4 seasons, fine din-

ing, nightlife, countless options for excursions throughout the year).

All this makes Greece an ideal place to attract highly educated professionals from all over the world, who often choose their job based on the quality of life offered by a country. In turn all of the above can be both a catalyst for attracting knowledge-intensive investment and contributing to the return of Greek professionals.

Only with a successful strategy for industry 4.0 can we gain a better position in the international division of labour while multiple transformations are taking place. As already stated, the country's specialised human capital are making a decisive contribution in this direction. Such a strategy will lead to the valuable scientific personnel of our country becoming more than expensive labour to be sold - either working abroad or working in Greece for a foreign company - and, instead, will really contribute to the development of Greece through its contribution to the production of high value-added products and services in the industry 4.0 in Greece. **bf**

1. *That is, Batteries, Microelectronics, High Performance Computers, Connected, Clean and Automatic Vehicles, Intelligent Health, Low Carbon Industry, Hydrogen Technologies and Systems, Industrial Applications of the Internet of Things, Cyber-Safety, Biowaste Materials, 3D Printing, Defense Industry.*

2. *Revolutions are disruptive by definition. What is needed today is not so much the ability to discover something but the lasting ability to discover. The pace of new inventions is steadily rising and the times of enjoyment of their benefits diminish. But this exacerbates the need to acquire «imaginative capacity». So what we call «leapfrogging» within the framework of industry 4.0 is precisely the country's integration into «conceivable» economies, even if this will be in a relatively narrow range. The fact that the time to enjoy the benefits of an innovation decreases means that for a company to remain a leader it must continually innovate.*

3. *Let us not forget that there is yet another Greece abroad. The second and third generation immigrants numbered more than 8 million. In May 2019 a protocol of cooperation between the Ministry of Economy and Development and AHEPA was signed to support the initiative addressed to the Greek community.*