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Mermanishvili Tamar
Ph.D., Student
Ivane Javakhishvili Tbilisi State University
Faculty of Economics and Business

INTERNATIONAL MIGRATION OF SKILLED WORKERS – CHALLENGE OR OPPORTUNITY?

Mermanishvili Tamar

Abstract

Nowadays, scientific–industrial revolution significantly affects the global economic development. More and more high skilled workers are required to perform jobs that gives possibility to firms introduce innovations and develop novelties in their operations. Currently migration is one of the actual problems equally affecting developed and developing countries. International immigrants play significant roles, especially those with higher educational background and relevant working experience. However, not only high- skilled population has the tendency to immigrate. The paper overview and analysis negative and positive aspects of international flow of labor force with particular attention to high skilled workers and youth. Significant benefit bear high-skilled migrants, which are positively assessed by recipient countries as they bring to countries of destination their knowledge and skills. Generating and developing higher educational institutions is not beneficial for countries if they are origin countries of the high skilled migrants who move to other countries for better job opportunities. On the other hand, in terms of global development, international labor migration has a

positive contribution to the development of global economy. The movement of labor resources from countries where they are abundant to countries where there is a demand for additional labor force support to world labor market development.

Key words: International Migration, Labour force, global economy.

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Introduction

Nowadays, scientific–industrial revolution significantly affects the global economic development. More and more high skilled workers are required to perform jobs, that gives possibility to firms introduce innovations and develop novelties in their operations. In this process immigrants play significant roles, especially those with higher educational background and relevant working experience. However, not only high- skilled population has the tendency to immigrate. Currently migration is one of the actual problems equally affecting developed and developing countries. There are more than 200 million migrants all over the world and their number is growing day by day. International Organization for Migration (IOM 2018) pointed for 244 million international migrants globally in 2015. This figure comprised 3.3% of the world’s whole population. This showing was 155 million people in 2000 and comprised 2.8% of the world’s population. Moreover, recent development demonstrates that these numbers steadily continues to grow. Another estimate showed, migrants comprise around 3% of the world’s population, but they produce over 9% of global GDP, that is approximately 3 trillion USD which is more than if they had stayed at home (IOM 2017). Significant benefit bear high-skilled Migrants, which are positively assessed by recipient countries as they bring to countries of destination their knowledge and skills.

The purpose of the paper is to overview and analyse the importance of intellectual migration, particularly emphasizing the youth migration flows that significantly affect both recipient and origin countries. This process acquire greater importance in terms of contemporary development of global economy which heavily depends on knowledge and innovations.

Results of the research

Success of the country in science and research significantly defines the level of national welfare. However, increasing of resources efficiency depends rather on usage of knowledge and technology than on simple existing of well-equipped higher educational institutions and/or highly skilled workers (Sepashvili 2018). Unprecedented spread of digital enterprises entails new practice of social, mobile, analytics and cloud (SMAC) technologies to achieve greater productivity. Thus, just simple existing of higher educational institutions and preparing researchers do not automatically mean higher positions in R&D (Gagnidze 2018). In contemporary global development to adapt novelties and develop innovations is key to survival in the transformed global industrial space against the tough international competition (Lekashvili 2019, Sepashvili 2019). In modern global economy which undergoes through the new stage of scientific-industrial revolution, knowledge and cognitive skills are important for economic development.

Therefore, national economic policy should give particular attention to education and researches, The new goal for policy-makers is to insure science-based economic development to achieve higher level of welfare. At the same time they should adequately face the challenges of globalization targeting at positive benefits that global economy offers to players meanwhile avoiding negative impact that globalized world imposes on national developments (Farazmand A., 2000, Gogorishvili 2019).

The Ricardian concept of comparative advantage, which states that “nations, like individuals, can benefit from their differences by reaching an arrangement in which each does the things it does relatively well” (Krugman P. et al, 2012:24), is still valid if we apply it to knowledge. Globalization of the world economy offers population possibility to migrate across the globe. At the same time market forces direct resources to the most productive fields. Thus, production resources –capital and labor – will be focused in the fields and more broadly in the countries, where they will be utilized in most efficient and productive way.

Thus, generating the developing higher educational institutions is not beneficial for countries if they are origin countries of the high skilled migrants who move to other countries for better job opportunities. Many developed and underdeveloped countries face this problem. Georgia is not exception, the country experiences significant migration problems. Georgia has the negative migration in recent years.

Table 1

Migration in Georgia in 2012-2018

	2012	2013	2014	2015	2016	2017	2018
Net migration, persons	-21 521	-2 606	-6 543	-3 408	-8 060	-2 212	-10 783
Net migration rate per 1 000 persons	-5.8	-0.7	-1.8	-0.9	-2.2	-0.6	-2.9

Source: Geostat.ge

The huge problem is “Brain Drain” for origin countries. This process means that emigration of high skilled population for the better employment opportunities is occurring. This results in losing the skills and labour force for origin countries. On the other hand, this is waste of educational resources that countries spent of young generation who left the country after gaining the education. The same reason is forcing population to migrate from rural area to urban areas (Mermanishvili 2019a), though the great majority is leaving the country.

At the same time, in terms of global development, international labor migration has a positive contribution to the development of world economy. The movement of labor resources from countries where they are abundant to countries where there is a demand for additional labor force support to world labor market development. The functioning of this market ensures the development and the growth of world production.

It is important that in the process of labor migration, workers from developing and underdeveloped countries becoming familiar with the other, more advanced countries’ culture of production, modern technologies, more rational labor organization, and so on. In addition, migratory links between countries contribute to the development of trade relations, including the increase in circulation of goods, services and capital.

In terms of promoting labor migration, which benefits the national economy, the main concern of politicians in the EU member states today is how to attract highly skilled workers. At present, a considerable number of the EU Member States apply special immigration schemes to highly skilled workers. These schemes often involve easing the procedures for obtaining a residence and work permit and shortening the trial period, as well as granting more rights to highly skilled workers (e.g. a simplified family reunification procedure). EU Member States are making significant efforts to adopt a well-balanced and multifaceted approach to achieving such diverse goals as attracting highly skilled workers, preventing irregular migration and protecting migrants' rights.

The aim of EU countries is to attract highly skilled workers. There are countries that a) use special programs or immigration schemes for high-skilled workers and b) where they use regular immigration schemes for high-skilled labor immigration, but provide some favorable conditions for third-country nationals with high-skilled workers. However, there is also some critical attitude towards the introduction of preferential conditions for highly skilled workers as there is some kind of different attitude towards desirable immigrants and all others, who are regarded as low-skilled and thus, unwanted flow of labor resources. The last ones are seen as the burden for social security system of recipient countries.

Moreover, "outflow of intellect" is seen as a negative aspect of the migration for the origin countries. Research showed that about 400,000 scientists and engineers from developing countries (30-50% of the total work force) want to work in science and construction in developed countries meanwhile and approximately 1.2 million inhabitants is engaged in the same activity in their homeland (Buettner 2016). Promoting immigration of highly skilled workers involves the danger to seriously hamper the development of origin countries.

On May 25, 2009, the Council of the European Union adopted a directive - the so-called Blue Card, which aimed to attract highly skilled labor migrants. The adoption of this regulation was driven by the fact that mostly low-skilled labor migrants go to the EU, while 85% of highly skilled workers go to the United States. The EU desired to change these statistics and offered third-country high skilled nationals the opportunity to work in the EU.

According survey, conducted in Georgia, unemployment, inadequate income and harsh socio-economic conditions play a major role in the outflow of labor from Georgia. According to the available data, at least one member of the 6-10% of families has gone abroad for work. These data vary by regions. Majority of the emigrants are married and are working-age part of population. The share of women among labor immigrants is large. It is noteworthy that women and men prefer different countries. Another common reason for emigration is education for those who did not see the prospect of career advancement in Georgia. Consequently, foreign-educated citizens also prefer to work abroad. Germany and the United Kingdom are particularly popular among migrants seeking for better education.

Students value the opportunity to study abroad because they believe that the foreign education they receive is the key to gain a job as well as they have opportunity to get equated with other cultures in other countries. This aspect generates a new generation of potential migrants who know recipient

country language and hold the relevant high educational diploma to work in high-skilled jobs in receipt countries. Until the labor market of origin country has limited possibility to utilize this new generation, the flow of young migrants will maintain upward tendency.

Conclusion

In recent years, information and knowledge convergence among countries, as well as migration flows, is characterised by incredible growth globally. World practice and economic pragmatism dictate that migration is not a development problem to be solved, but a mechanism that can contribute to the achievement of many of the Goals (Foresti and Hagen-Zanker, 2017). Therefore, national governments have to recognize the necessity to better govern the issues dealing with migration. The main goal is to expand possibilities for nations and people to utilize knowledge and potential for economic growth through mobility.

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Mikaberidze Tamta, Doctor of Economics, Professor
Deputy Director of Institute for Development Studies
Faculty of Business and Tourism
Sulkhan-Saba Orbeliani Teaching University
t.mikaberidze@sabauni.edu.ge

OPPORTUNITIES OF BUSINESS DEVELOPMENT IN THE CONTEXT OF EXPORT
SIMILARITY
(CASE OF GEORGIA)
Mikaberidze Tamta

Abstract