

Knowns and known-unknowns on emigration and the diaspora

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1. The diaspora is a major population issue.

The 'Kiwi Diaspora' is an issue of ongoing significance for New Zealand's population. Around a quarter of all tertiary educated New Zealanders live abroad – the highest proportion of any OECD country and high by any international standard. Substantial net outflows of New Zealand Citizens are a long-term pattern that will continue: a steady trickle of return cannot offset periodic surges of emigration.

This dynamic has important implications for New Zealand's population. For example, outflows help drive our immigration through the need for replacements, and emigration is not just a staple of dinner-time debate in New Zealand, it is often central to political campaigns and to core issues of governing the country.

Both through its absence and its long-distance involvements, the kiwi diaspora has helped shape New Zealand's past and will continue to shape its future. The following is a very brief summary of knowns and known-unknowns on New Zealand emigration and the diaspora.

2. Basic research questions remain unanswered.

Despite the importance of the issue, after several decades of debate it is still not possible to answer basic questions about the diaspora, including why people leave New Zealand and how many New Zealanders live abroad.

In part this is because political debate has stunted research on the drivers of emigration. In international literature, the four pillars of post-WWII international migration theory focus on: 1) the individual pull of higher wages, 2) the exploitative structure of international recruitment, 3) the cumulative role of social networks, and 4) the push of 'relative deprivation' caused by inequalities in the origin area.

All but the first of these standard explanations are largely ignored in New Zealand. Instead the debate has settled into a pattern revolving around fixed political positions: Oppositions insist that the government is to blame for a 'brain drain', while Governments counter that emigration is driven by global forces, especially wage differentials, that lie beyond their control. Because political actors now know that any accusations they make around emigration may later be leveled against them, they tend to hold back this card.

This political impasse shapes public debates and academic research agendas around migration. To move beyond it, research on the drivers of emigration needs to look beyond international wage differentials and examine: 1) the vulnerability of New Zealand labour in the context of Trans Tasmanian recruitment; 2) the role of historical ties, a migration industry, and dense social networks in facilitating emigration; and 3) rapidly rising inequalities within New Zealand society as an increasingly powerful emigration driver.

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Emigration is one thing, emigrants are another – both merit further research in the New Zealand context. No clear picture exists of the New Zealand diaspora. Estimates of its size range from under 400,000 to over a million. Part of the problem is a lack of a valid, reliable criterion for measuring national identity. Counting those born in New Zealand would be a reliable measure, but it would include many people who do not identify as New Zealanders, and exclude many who do. Counting New Zealand citizens would be more a more valid measure of national identity, but as migrants often change citizenship over time, this is difficult to measure reliably.

Moreover, size is not the only thing that matters: from the perspective of New Zealand's interests and obligations, the diaspora's demographic characteristics such as location, age-sex profile, skill composition, income stratification – and most importantly the variable nature and extent of its ongoing identification and involvement in New Zealand society – may be more important than overall numerical size.

Kea New Zealand has collected some data on this issue, but – notwithstanding its known limitations as a convenience sample – the full potential of this data remains to be realized by researchers. On the other hand, however, New Zealand is not alone in lacking detailed diaspora data, and serious thought is needed lest attempts to collect such data facilitate extra-territorial surveillance of people exercising their right to freely exit New Zealand without interference.

3. The impacts are not all bad.

For a long time it was assumed that emigration was mainly a negative 'brain drain', but views have swung towards a more positive perspective over the past 15 years, with the short and long-term pros of emigration receiving much more attention. In the short term, it has long been known (but periodically forgotten) that emigration relieves New Zealand's unemployment pressures, and contributes to the up-skilling of those who eventually return.

Mobility is ingrained in New Zealand culture by virtue of colonial heritage and increasingly diverse immigration flows, but the almost universal expectation of emigration amongst tertiary students is relatively new, as is the emergence of a stratum of New Zealand occupations that effectively require Overseas Experience as an entry qualification.

On the upside, in the long term, flows of New Zealanders cycling through the global economy maintain the country's international connectivity, providing beachheads into offshore markets and connections to global decision-makers and opinion shapers. In this sense, the diaspora is well placed to channel resources and opportunities New Zealand's way. This is a potentially significant silver lining.

4. The impacts are not all good either.

However, the pendulum may have swung too far back towards focusing on the upsides of emigration and diaspora, while ignoring the inevitable downsides that nonetheless remain real. As well as offsetting unemployment, surges of emigration create acute short-term skills shortages that disrupt economic activity, creating a need for immigration that undoubtedly brings benefits but also results in transaction costs as new immigrants are incorporated into the labour market and wider society. Emigrants may effectively default on their financial and social debts, leaving behind student loans or dependent family members – and the question of whether the New Zealand Government can

legitimately collect such debts is profoundly complex, not least because dispatching bailiffs beyond borders can constitute an intense assault on the freedom of exit that defines liberal democracies.

Equally, New Zealanders may be lured into vulnerable and exploitative situations abroad – increasingly this is the case amongst New Zealanders in Australia – and New Zealand’s Government may have real and often unmet responsibilities to protect them (or at least to not aid their exploitation). In the long term, the second-order impacts of positive resources transmitted through the diaspora back to New Zealand probably cannot outweigh the first-order effects of losing many of the country’s best and brightest. Over time this has a corrosive impact on the quality of the country’s leadership and the strength of its institutions that no amount of optimism about silver linings can overcome.

5. Policy should be about adapting and addressing unacknowledged causes.

There is no easy way to curb outflows without re-assessing the reasons for emigration. Exit controls would signal the end of liberal democracy in New Zealand (as already mentioned, efforts to extract obligations beyond New Zealand’s borders flirt dangerously with a special kind of authoritarianism). Once the decision to depart has been made, it is an uphill battle to promote return, as incentives need to be very high indeed to overcome both the initial reasons for leaving and the cumulative inertia of being away. International wage gaps cannot be closed overnight, and the migration-facilitating role of social networks cannot be reversed.

If these are the primary causes of emigration, the policy options are limited to adaptation, for example by more proactively engaging the diaspora in order to recoup some losses. In the experience of around half all United Nations member states, a key part of such adaptation has involved aligning various policies that impact on the diaspora with more coherent and strategic objectives, including by establishing some form of diaspora institution as a dedicated point of coordination within government. Such coordination can not only cultivate new engagement efforts, but can also help to cull any inefficient, arbitrary or unjust forms of outreach that negatively impinge on emigrants and their descendants, inadvertently or otherwise.

However, as mentioned previously, several decades of international research shows that between-country wage differences and cross-border social networks are only ever part of the explanation for emigration. If we take seriously the main theories of international migration developed over the last half century, emigration is also driven by the exploitative international recruitment practices of large destination-country employers, as well as economic and social inequalities in origin countries. A growing body of anecdotal evidence suggests these factors also matter in the New Zealand case and these are important avenues for future research. If valid, these hypotheses suggest more concrete policy approaches concerning emigration. First, New Zealand would need to do something about the vulnerability of its labour force as a reserve pool of flexible, unprotected labour for Australian firms. And second, it would need to address the growing inequalities within New Zealand that cause people to emigrate in order to escape ‘relative deprivation’.