

From Brain Drain to Talent Flow: Views of Kiwi Expatriates

By Kerr Inkson, Stuart Carr, Margot Edwards, Jill Hooks, Duncan Jackson, Kaye Thorn and Nicola Allfree

The so-called Brain Drain effect has serious implications for a small economy. Research suggests we need to understand more about the motivations of our expatriates.

Elizabeth (Grandmother, retired to Wairarapa lifestyle block). “Look at all this. Golf, only the rich can play golf in Europe. The sea! You’re always close to the sea! It’s a wonderful lifestyle. Still. We’ve got everything we want. Look Colin had an ordinary job and yet look how we live now....What on earth is there over there that can compare to this?”

Megan (Grand-daughter, London-based web designer). “Well Gran, I earn megabucks compared to what I’d get here, I own a flat in Putney, I can get to Paris in three hours, I can have weekends in Greece. The world’s best art and music and theatre is constantly at one’s doorstep....”

Roger Hall, *Spreading Out*, 2004.



W D Hammond, Rest Area Limbo Ledge, 2002, acrylic on board, Chartwell Collection, Auckland Art Gallery Toi o Tamaki

If the young people of New Zealand are true to Roger Hall’s characterisation of them, then New Zealand has a real problem. The children and grandchildren of Hall’s middle-class retirees Colin and Elizabeth have spread their wings. Megan has a flat in London and makes mega-sterling. Medically qualified daughter Jane stays in New Zealand but has a mid-life crisis and sells her practice to go to Otago to grow lavender, while son Roddy, who is completely useless, continues to sponge off his parents and fritter away their savings on shonky land deals. It is the young and talented, the play says, who go overseas and make a difference, and the old and the incompetent who stay home and languish. Colin and Elizabeth, archetypal post-War Kiwis, are left surveying the lovely lifestyle home where they had hoped to spend happy family times in retirement, wondering what went wrong.

“Brain drain” is a popular term for the haemorrhaging of talent from less developed to more developed economies (Guadilla,

1996). Concern about brain drain is driven by local fears that skilled emigrants, for example cosmopolitan scientists and professionals, will find permanent jobs overseas and decide to stay in the more developed economies, thereby robbing the poorer countries of their investments in education and their most skilled people, and escalating a dynamic of “success to the successful.” The ability to migrate has always carried this threat to weaker economies. Globalization, the liberalisation of markets, and developments in mass communication and transportation, increase the threat. Brain drain, according to Cheng and Yang (1998) is “an integral component of international migration and the global restructuring process” (p. 626).

“...more New Zealanders leave the country than return from overseas”

Brain drain has been a concern in New Zealand since at least the 1980s (e.g., NZ Financial Review, 1987; Sceats, 1987), and is supported by evidence, based on airport arrival and departure data, showing that more New Zealanders leave the country than return from overseas. For example, over 1998-2002 the mean outflow of New Zealanders departing for a minimum of one year has been 28,000 more than the number returning after one or more years overseas (Statistics New Zealand, 2002). On the basis of a total population just over four million, that is a loss of approximately 0.7% annually, a loss moreover that most likely is largely composed of young, economically active citizens. According to one estimate, of nearly five million New Zealand nationals in the world, 850,000, or nearly 22%, currently live outside their own country (Hugo, Rudd and Harris, 2003, p.21).

But behind the macro-level international flows of economically productive individuals lie many individual decisions to migrate. Why do they do it? Much of the rhetoric of brain drain emphasizes financial and career factors: skilled personnel from New Zealand can earn higher salaries offshore, particularly in other English-speaking countries such as Australia, Canada, the UK and the USA. Professional groups argue that they are underpaid in New Zealand and can double or triple their salaries offshore, and that moreover, opportunities for stimulating and lucrative career development are much higher offshore. Recently, the bogey of “student loans” has been added to the list of problems: only by earning higher salaries in foreign countries, the argument goes, can the new generation of graduates pay off their debts (Johnston, 2003; Statistics New Zealand, 2002).

Overall, then, the conventional wisdom in New Zealand that its brain drain is a major problem, is due to increasing disparities of income, standard of living and encouragement of business opportunities, between New Zealand and the rest of the Anglo-American nexus and Australia.

However, we question this viewpoint, from two points of view.

First, demographers consistently tell us that the problem has been exaggerated because of the failure to take into account immigration to New Zealand (e.g. Bedford, 2001). For example Lidgard (2001) suggests that it is time to celebrate brain exchange and notes that 20,000 New Zealanders per year come back to the country through “return migration”. Choy and Glass (2002) demonstrate not only that over time New Zealand has consistently brought in more migrants than it has lost, but that the immigrants tend on the whole to be more highly skilled than those they displace. In the year ended March 2004, statistics show that there were 3,806 more permanent, long-term (PLT) arrivals in the Professional and Administrators and Managers occupational groups than PLT departures (Statistics New Zealand, 2004). It is odd that many New Zealanders, including politicians, bewail the loss of talented, qualified New Zealanders overseas, yet campaign to reduce the numbers of talented qualified people from other countries who could potentially take their place. New Zealand continues to tolerate the scandal of highly-trained doctors and engineers spending their time in New Zealand stacking supermarket shelves. One country’s brain drain is another’s brain gain, but all too often becomes “brain waste”. If brain drain does indeed rob New Zealand of some of its best, does it not become all the more necessary to develop incoming talent so that it can fill the gap?

Secondly, our analysis of the international literature on migration shows that although economic factors are important, they are far from being the only motivational forces involved (see Carr, Inkson and Thorn, 2004, for a New Zealand-oriented theory of the psychology of migration). Related to economic factors but not identical to them, are career factors such as challenge and job satisfaction. Also important are family factors, where decisions are made on the basis of preserving family units, looking after ageing relatives, and providing a secure upbringing or quality education for children. Then there are political factors such as freedom, and national stability or instability. Finally, cultural and lifestyle factors make a difference, including identification with a particular country and its customs, cultural and recreational opportunities or way of life.

So, in considering our “brain drain” and the reasons for it, we need to look beyond the crude calculus of financial gain. In New Zealand’s case, the alternative view, voiced by Elizabeth in the quotation at the beginning of this paper, is that the brain drain may be mitigated and even reversed by New Zealand’s supposed attractions its peace and beauty, its “clean, green” image, the fact that it is considered “a great place to bring up children”, and the pull of family ties. Here, we see non-economic factors acting on the expatriate to reverse the effects of economic and career factors.

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A key element in New Zealand's alleged brain drain is thought to be "the Big OE". As considered in a recent paper in this journal (Myers & Inkson, 2003), Overseas Experience (OE) is a temporary international excursion which often becomes permanent. OE is primarily motivated not by economic or career forces but by the desire for cultural exploration, adventure, self-development. But as OE proceeds, what was conceptualised initially as a temporary odyssey of cultural consciousness-raising can become an exercise in focused career development (Inkson & Myers, 2003), and eventually a permanent emigration in pursuit of career opportunities and standard of living. Against this, OE travellers' sense of identity as New Zealanders and their concerns for ageing relatives back home constantly induce the desire to return (Inkson & Myers, 2003). From the resolution of these competing pushes and pulls, New Zealand experiences the net losses or gains of its won citizens.

One thing conspicuously missing from accounts of these dynamics is the en masse voice of Kiwi expatriates themselves. Whatever view a journalist may take of brain drain, it is not hard to find exemplars to support it – for example, medical research teams who have been head-hunted by the Australians, Kiwis in the United Kingdom making millions of pounds as stock analysts, or, for that matter, returning high-flyers from New York or the Middle East who just want to escape the terrorism and bring their children up in peace. You can prove anything using cases. But how typical are such cases?

The Talent Flow Programme and the Research Study

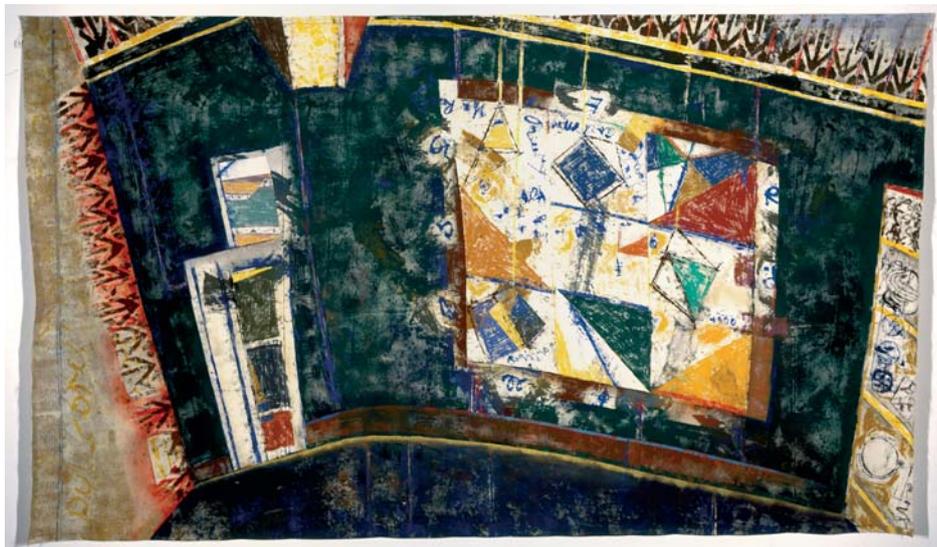
The New Zealand Talent Flow Programme, based in the Department of Management and International Business on the Albany Campus of Massey University, was set up with the assistance of a research grant from the Massey University College of Business. Its objectives are to study the flow of highly-qualified people through migration to and from New Zealand. Commencing with a focus on the "Brain Drain" phenomenon, the programme will also consider the talent flow of new immigrants to New Zealand and the development and utilisation of migrants' talents in New Zealand economic life.

The research reported herein is an initial "scoping" exercise aimed at determining some basic parameters of the experience of skilled New Zealand expatriates and their attitudes to their country and to the possibility of return there.

In talking of *talent flow*, we use the term "talent" rather than "brain" because of the rather exclusive capture of

the term "brain" in this context by science and technology groups (e.g. Australasian Research Management Society, 2004), which tend to see the main problem of brain drain as the loss of scientific talent. Our focus is wider - on *all* skilled talent including professional and business people. We use the term "flow" instead of "drain" because of the negative connotations of the latter term. Our long-term interest is in the talent that flows *into* New Zealand (immigrants as well as Kiwi returners) as well as the talent that flows out.

In late 2003 we set up a website (www.newzealandersabroad.org.nz), on which we posted a questionnaire designed to be



Philip Trustrum, *Mobiles*, circa 1978, acrylic on duck canvas, Auckland Art Gallery Toi o Tamaki, purchased 1978

completed by expatriate New Zealanders (citizens and permanent residents). The questionnaire included questions on their personal characteristics including age, sex, qualifications, occupation and length of time overseas; their intentions with regard to returning to New Zealand and the reasons for those intentions; and their values and motivation.

We then asked 32 professional associations in New Zealand, including professions in business, science, engineering, health, information technology and many others, to draw the website to the attention of their overseas members. Responses from different sources varied markedly according to the extent of overseas membership of the associations and the vigour with which they promoted the exercise. By the end of November 2003 when we closed the questionnaire, 2,201 usable questionnaires had been completed and returned by expatriate Kiwis. Like all e-surveys, the parameters of the total population (New Zealanders living abroad) are not known. It is therefore not possible to calculate how representative our sample is. However, the large size of the sample does enable us to identify some interesting information and to speculate on its implications.

Characteristics of Respondents

Through the use of professional associations to contact respondents, we had targeted expatriates with high qualifica-

TABLE 1: Participants' ages

Age	Count	%
20-29	395	18.0
30-39	1018	46.5
40-49	464	21.2
50-59	233	10.6
60+	81	3.7
Total	2191	100.0

TABLE 2: Current overseas situation of respondents

Situation	Count	%
First OE	441	20.1
Second or subsequent OE	389	17.6
Now permanently settled overseas	1130	51.4
Other	240	10.9
Total	2201	100

tions and value to New Zealand. What were the characteristics of those who responded?

Sixty-three percent of respondents were male, 37% female. Ages ranged from 20 to over 60, with the mean being in the late thirties. Table 1 presents the number and percentage in each age category.

Participants were asked to describe their current overseas situation. Their responses are shown in Table 2¹. The sample included 830 people who saw themselves as doing a first or subsequent OE, 1130 (51%) who described themselves as “permanently settled” overseas, and another 240 indeterminate.

Participants were asked to record their current country and city of residence. In total, 72 countries from all parts of the globe were represented. Table 3 presents the respondents' current location. The large majority were based in large cities such as London and Sydney.

The sample as a whole was, by virtue of its genesis in professional groups, very highly qualified. Over 90% had at least a bachelor's degree, nearly 60% had post-graduate qualifications, and 5% (106) had doctorates. We believe these people represent vital potential Kiwi resources currently overseas.

Participants were also asked to record their current occupation and these results are presented in Table 4.

Many respondents were working in the financial sector, often in senior capacities. This is probably due to the strong promotion of the survey by professional groups associated with business. As an example, 1,319 respondents (62.6% of total) were obtained through the Institute of Chartered Accountants of New Zealand (ICANZ). This organisation retains its members because current registration is a compulsory requirement or major advantage in gaining employment

TABLE 3: Participants' current location of residence

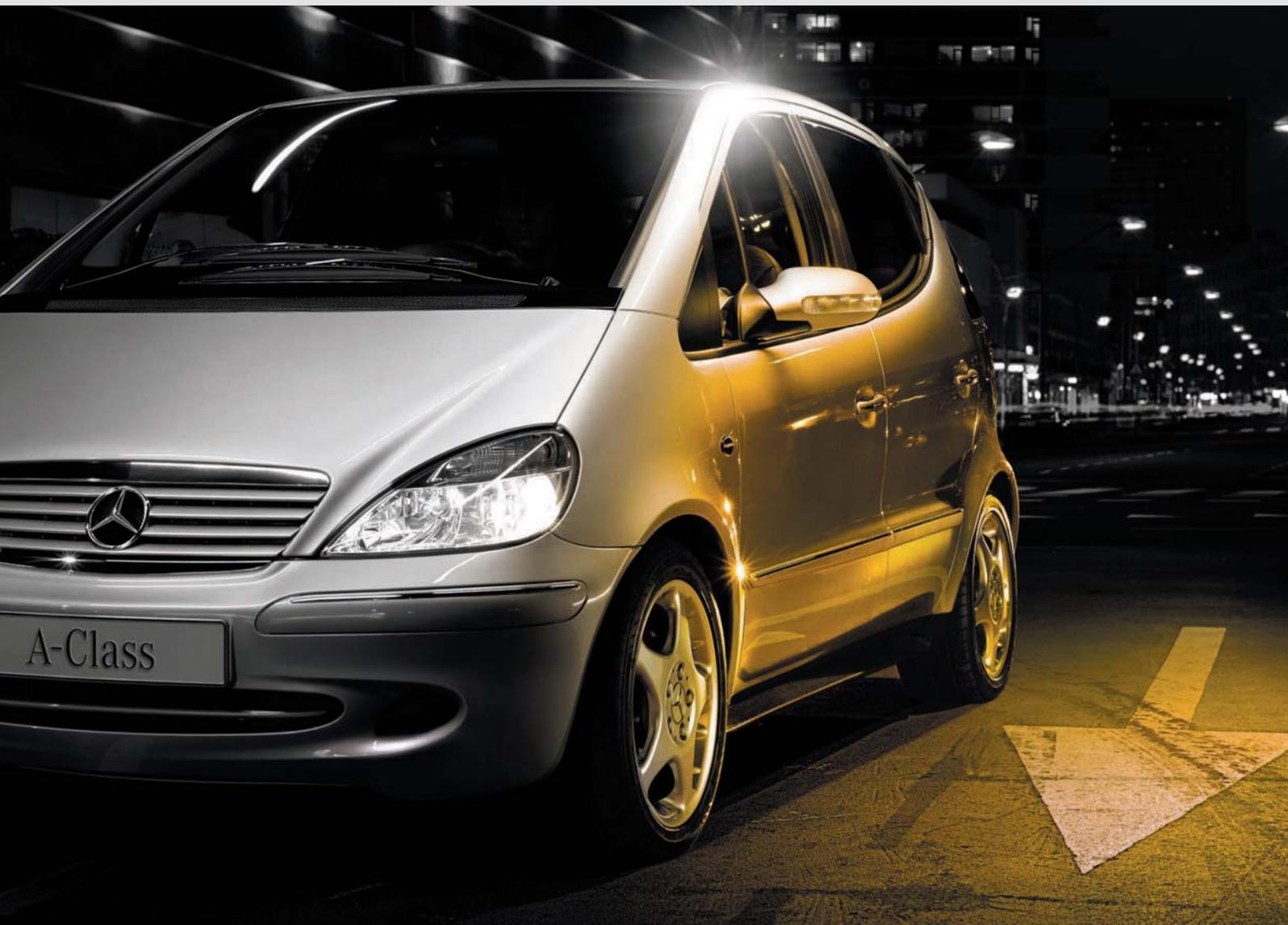
Country of residence	Count	%
United Kingdom	871	40.0
Australia	598	27.4
USA	239	11.0
Asia	188	8.6
Europe other than UK	109	5.0
Canada	55	2.5
Pacific	33	1.5
Middle East	27	1.2
Caribbean and South America	25	1.1
Africa	20	0.9
Split	15	0.7
Total	2180	100

TABLE 4: Participants' current occupation

Occupation groups	Count	%
Managers	446	20.3
Accountants and junior financial managers	355	16.1
Other financial	231	10.5
Senior financial managers	222	10.1
Financial consultants	172	7.8
CEOs and Directors	148	6.7
Academics, teachers	121	5.5
Science, engineering, technology	121	5.5
Students, not working	115	5.2
Health professionals	113	5.1
Other non-financial	57	2.6
Did not specify	100	4.5
Total	2201	100

in overseas business roles. Not all ICANZ respondents were working as accountants – many were financial managers, managers in other functions, or business analysts. This generally large response in “business” categories provided a unique opportunity to examine the attitudes of an important group of expatriate New Zealanders who may be vital to the country's economic development.

In terms of length of time overseas, 8% of respondents had lived away from New Zealand for less than a year, 45% for 1-5 years, 23% for 6-10 years, and 24% for more than 10 years. Nearly two-thirds of the sample had had a previous OE. Thus the sample contained a wide range of different types of overseas experience, and included many who had gone beyond the



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FIGURE 1: Which (of the following) best describes your current sense of national identity?

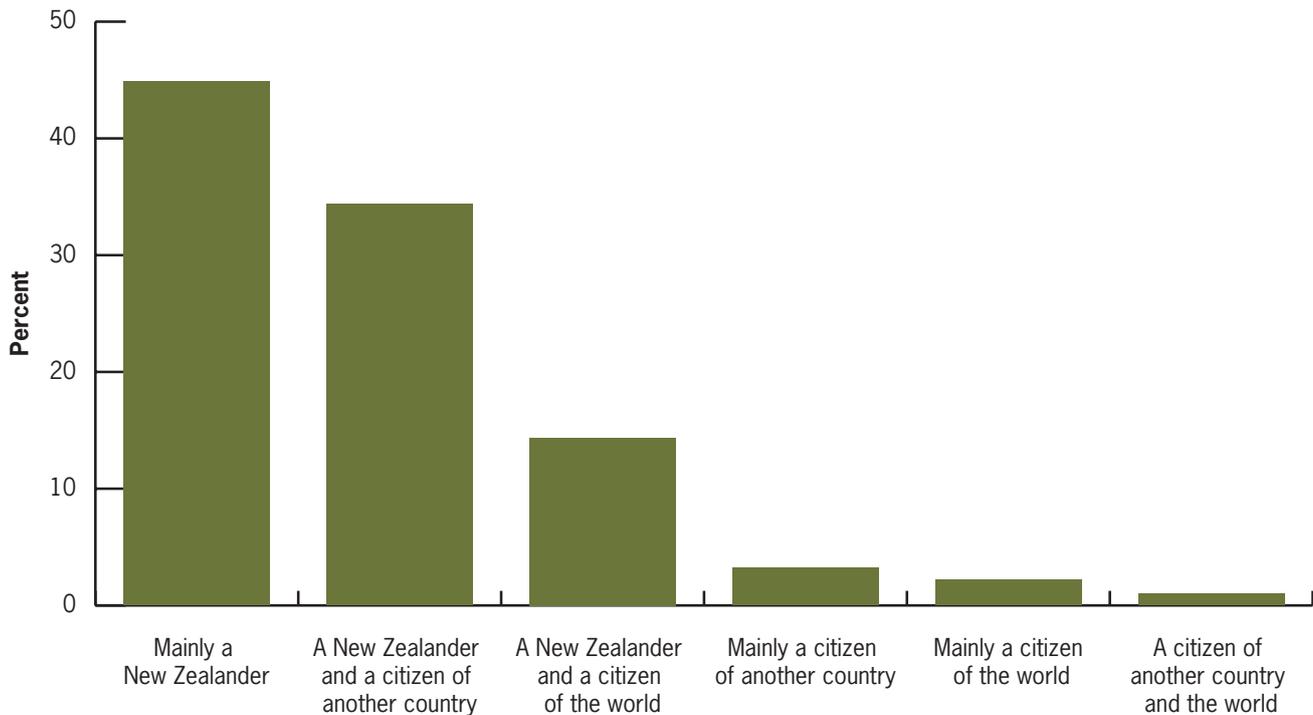
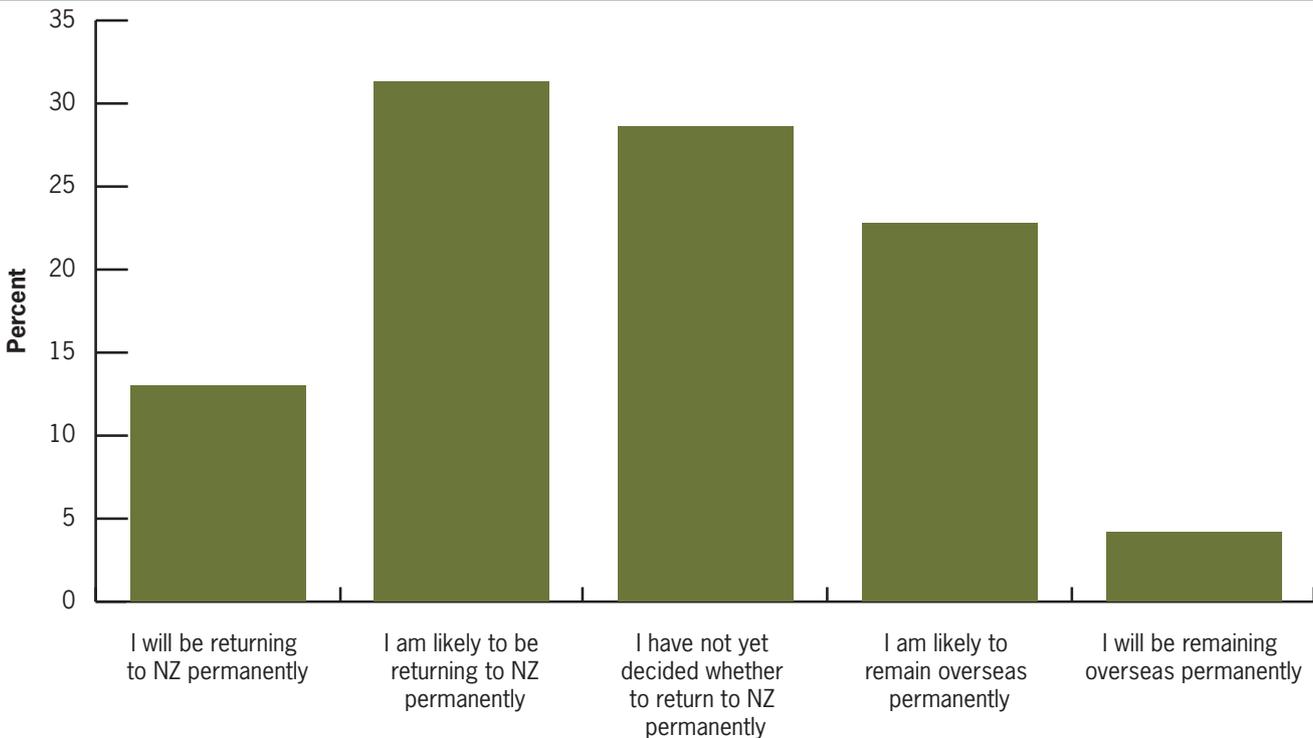


FIGURE 2: What best represents your future plans?



single “there and back” OE and were internationally mobile. Many sample members – particularly those who had been away more than ten years – might reasonably be regarded not as transients, travellers or visitors, but as settlers in another country.

National Identity and Return to New Zealand

Figure 1 illustrates the respondents’ perceptions of their current sense of national identity. Despite the high proportion who described themselves as “permanently settled overseas”, over 90% still identified as New Zealanders, though in many

TABLE 5: Net attraction back to NZ for different occupational groups

Occupational groups	N	Level of attraction
Health professionals	100	+0.17
Other financial	217	+0.08
Other non-financial	55	+0.08
Accountants and junior financial managers	337	+0.05
Academics, teachers	114	+0.01
Science, engineering, technology	113	+0.00
Students, not working	105	+0.00
Managers	411	-0.02
Senior financial managers	209	-0.02
Financial consultants	162	-0.07
CEOs and Directors	135	-0.17
Total	1958	

cases they shared this identification with another country or with “the world”. This strong sense of national identity may be an important force among those “permanently settled overseas”.

Respondents were also asked to indicate their future plans. Responses are shown in Figure 2. Forty-four percent of the respondents indicated they were certain or likely to return to New Zealand permanently, 27% that they were certain or likely to remain overseas, and 29% were unsure. The figures suggest that there are many who, on the one hand, say they are “permanently settled” overseas, but on the other, that they may seek to return. It is recognised that those people who most firmly identified with New Zealand were most likely to participate in the survey. However, this identification and the strength of intention of many apparently long-settled expatriates to return provides grounds for optimism of the future possibilities for a “Kiwi diaspora”, harnessing the energies of those who have a strong affinity with, and motivation towards, New Zealand - even though they no longer live here.

In order to identify factors which may attract expatriates either to return to New Zealand or to remain overseas, we listed 26 items, derived from our analysis of the literature on migration, that might be expected to have an influence: for example “bringing up children”, “tax system”, “arts opportunities” and “salaries”. Respondents were asked to rate each item on a five-point scale, recalibrated in Table 5 so that +2 means the factor provided a strong attraction to return to New Zealand, and -2 means it provided a strong attraction to remain overseas. The figures enabled us to construct an “Attraction to NZ” score for each factor, ranging from a possible +2 if everyone in the sample had said the factor drew them strongly back to New Zealand, to -2 if everyone had said the factor drew them strongly to remain overseas. The results are shown in Figure 3.

TABLE 6: Participants’ perceptions about changes needed in NZ

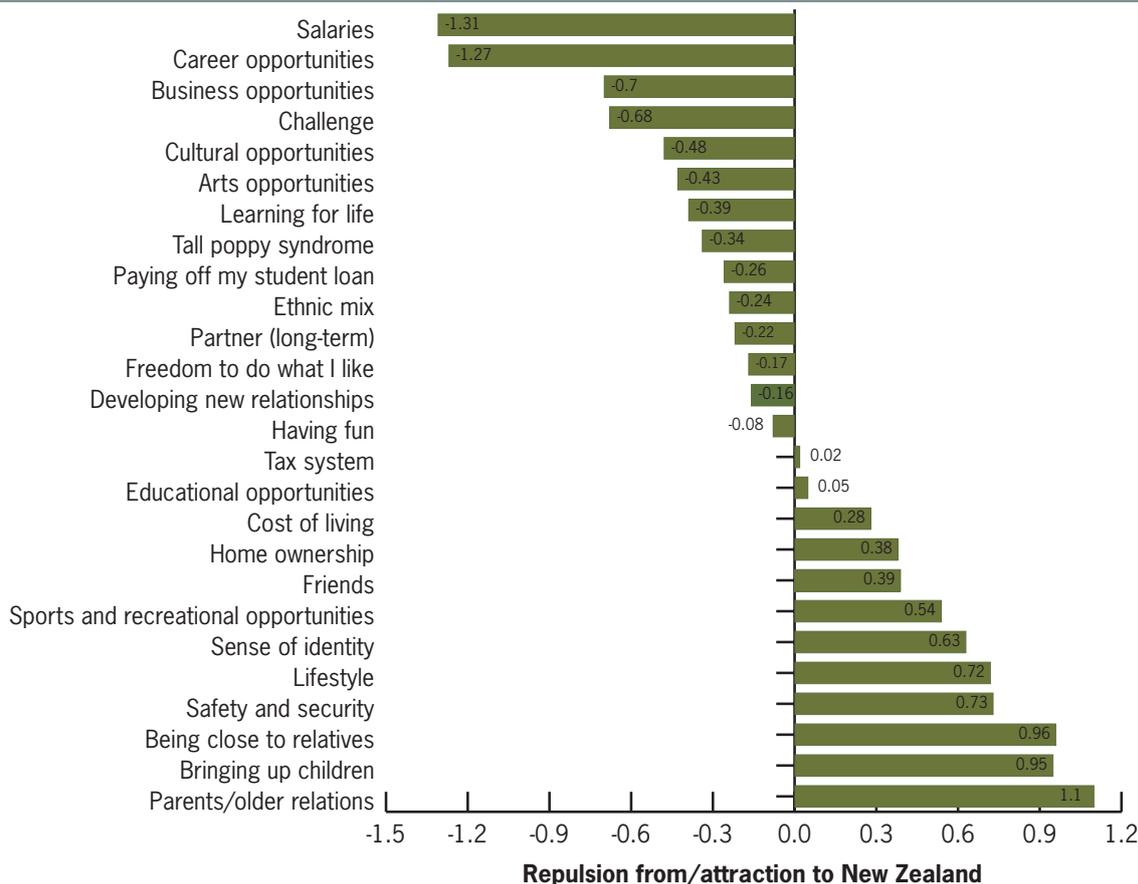
Category	Number	% of total responses
Business & career opportunities	1216	23.2
Financial – pay and cost of living	732	13.9
Tax incentives	420	8.0
Stronger economy	356	6.8
Miscellaneous – weather, lack of public transport	318	6.1
Lifestyle	288	5.5
Safety & security	280	5.3
International mobility – easier access, cheaper flights	243	4.6
Family responsibilities – children, parents	230	4.4
Change of government - change of govt policies	224	4.3
Biculturalism concerns	207	3.9
Home ownership	179	3.4
Kiwi attitudes – tall poppy, parochial, humility	146	2.8
Cultural integration – positive attitude to migrants	133	2.5
Partner	119	2.3
Education system	69	1.3
Student loans	67	1.3
Cultural separation – negative attitude to migrants	23	.4

These results mirror popular understanding of the determinants of brain drain and are not surprising. Family factors – both the “ageing relatives” factor and the “bringing up children” factor – attracted participants most strongly to return, but social, recreational and lifestyle factors were also important. Salaries, career opportunities, business opportunities, and challenge tended most strongly to keep participants overseas, but cultural factors such as the arts were also important. Because only 10% of the sample currently had an outstanding student loan, this factor made little impact, but it can be expected to increase in importance as more and more young qualified people go offshore.

Overall attraction to/repulsion from New Zealand was calculated by adding the mean responses to all the potential attraction/repulsion factors. Different occupational groups have different degrees of attraction back, as shown in Table 5.

The differences between these occupational groups were not substantial, but there are some worthy of note. Health professionals (including doctors, nurses and paramedicals) appeared to be the group most attracted back to New Zealand by the combination of attraction/repulsion factors, and

FIGURE 3: Factors causing attraction away from/attraction to New Zealand. (in increasing order of attraction to New Zealand)



Chief Executive Officers (CEOs) and Directors the group least likely to be attracted back. This finding may be related to other factors such as CEOs being older and having spent more time away from NZ than health professionals, or the perceived lack of equivalent level CEO jobs in New Zealand.

Changes Needed in New Zealand

Participants were asked to indicate three changes that would make it more attractive for them to return to New Zealand. The results are presented in Table 6.

The most frequently sought changes were solidly economic: business and career opportunities, better tax incentives for business, even a “stronger economy”. This strong financial emphasis may seem somewhat at variance with the high importance attributed by the same people to family, lifestyle and friendship (Figure 3). However, it is likely that participants find that with time and perseverance they can satisfy their needs in these areas in their new locations, but that the economic gap they perceive between the new locations and New Zealand is seen to be a persistent and basic requirement that is outside of their personal control. Indeed, New Zealand politicians, policy makers, and managers concerned to reverse the brain drain would look askance at the “Wish List” represented by Table 6: most of the changes suggested

are things they spend their lives trying to bring about. What else can they do?

Migration and Motivation

One question about talent flow to and from New Zealand is whether emigrants are different in some way, for example values or motivation, from those who stay at home, and whether those who leave New Zealand but later return are different again. After all, the nature of a society and the progress of its economy depend not just on how many people leave it and what skills they possess, but what sort of people they are.

One theory concerns achievement motivation. Many years ago US psychologist David McClelland (1961) demonstrated that the most economically successful countries have tended to have high levels of achievement motivation built into their culture. Achievement motivation is “the drive to succeed in competition with a standard of excellence”. McClelland hypothesized that achievement motivation finds its most appropriate expression in entrepreneurship, and that entrepreneurship drives economic growth. Work done in the 1970s by New Zealand researcher George Hines (1974) suggested links between migration to and from New Zealand and achievement motivation. Migrants generally tend to be high on achievement motivation (Boneva, Frieze and Ferligoj, 1998). Could it be that permanent migrants from New

TABLE 7: Value scores of likely “returners” to New Zealand, undecided, and overseas “stayers”

Motive	NZ returners	Overseas stayers	Significance of difference
Family	5.17	5.05	P<.05
Lifestyle	4.19	4.09	n.s.
Friendship	4.10	3.67	P<.001
Achievement	3.15	3.48	P<.001
Money	2.98	3.10	n.s.
Influence	1.41	1.62	P<.001

Zealand drain away not just their skills and talents but their drive?

The numbers in Figure 3 and Table 5 suggest that there are different enticements and incentives for expatriates who seek to return and those who seek to stay away: return to New Zealand apparently provides more of an attraction to the family-oriented, the sociable, and the presumably humanistic medical staff; but repels those seeking career success and money, and the successful business types and entrepreneurs. The study gave us the chance to test differences between those who indicated that they intended to return to NZ versus those who intended to remain overseas.

We asked respondents to rank-order six key life values in terms of importance to them, and compared those who indicated they intended to return to NZ with those who said they intended to remain in their host country. The key life values were: family, friendship, money, money, lifestyle, influence and achievement. Answers are shown in Table 7. In this table, ranks on the values were reversed, so that the higher the scores, the more highly that value was ranked by participants.

The results were interesting. The most highly ranked factors overall were family, lifestyle and friendship – factors associated with the non-work, more social aspects of people’s lives. Achievement, money and influence – all factors related to work, careers, and conventional stereotypes of “getting ahead” – were much more poorly ranked. Of course this does not prove that Kiwis are any more “soft-centred” than other groups of expatriates – to answer that question we would have to ask other groups to answer the same question. However, we did find significant differences between the expatriates who planned to stay away from New Zealand and those who planned to return home. Four of the factors differentiated significantly between these groups. The “stay-overseas” group had, as predicted, significantly higher levels of achievement and influence motivation than the “come-home” group, but lower levels of values put on “family” and “friendship.” Overall, stayers appeared to pursue work-related rewards more than returners, whereas returners placed more emphasis on social rewards than stayers.

This finding has a remarkable convergence with research on “what is important to New Zealanders” recently completed by the Government’s Growth and Innovation Advisory Board (GIAB) (2004). Several hundred New Zealanders were asked which aspects of New Zealand were *personally* important to them. The results indicate that New Zealanders overall see quality of life as more important to them than economic goals such as job prospects, salaries, economic growth and business opportunities. The researchers also noted that on quality of life and quality of natural environment, there was a relatively low “expectations gap”. New Zealanders felt that their expectations were largely met in these areas, whereas in areas such as “the public health system” and “wages and salaries” requiring financial investment and national wealth, the expectation gap was much higher.

Unfortunately the GIAB researchers did not include family life or social activities in their survey, so direct comparability with our own results is not possible. However, the results help us to see how the values that New Zealand expatriates hold and their perceptions of what New Zealand has to offer could be highly influential in determining their propensity to return home to a higher-quality life or to remain overseas for a wealthier one. Given the overall high rates of movement of migrants out of and into NZ, this could be one reason for New Zealand’s persistent failure in recent decades to achieve its potential in terms of economic growth. Those who return may be precisely those who will enjoy New Zealand’s pleas-

“...there is a desire by many New Zealanders, to either return to New Zealand or to contribute to New Zealand from an overseas base”

ant and sociable lifestyle most but due to relatively low economically-oriented motivation may be less inclined, overall, to provide the entrepreneurship, innovation, work energy and business leadership to sustain growth.

Against this interpretation, however, a couple of cautions must be mentioned. Firstly, our measure of values was simple: follow-up studies using more sophisticated methods of assessment are necessary. Secondly, it is likely that the values factors are correlated with, and influenced by, other factors we have measured, such as gender, age and time away from New Zealand. For example, among the business groups it is the most senior who have greatest resistance to returning. Therefore what appear to be motivational effects may be due to something else. We intend to assess this possibility with more sophisticated statistical testing of our data, using partial correlation and regression analyses to control for such effects. A team of researchers at Monash University, Melbourne, led by Professor Helen de Cieri, will be replicating this study shortly in respect of Australian expatriates, and it will be interesting to see if the findings are similar.

We also intend a second phase of our research, which will examine the motives and values of skilled immigrants to New

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Zealand. This phase of our research programme will therefore explore the possibility that immigrants to New Zealand, like their emigrant counterparts, are also relatively high on need for achievement, and propensity to develop enterprise. Because of this, the picture possibly being sketched out above is not necessarily negative.

Conclusion

Our study has confirmed aspects of the popular view of brain drain, by showing that its critical dynamic is economic, but that this is mitigated by a group of non-economic factors connected with family, social relationships, culture and lifestyle. It has also, in its findings on the different values of New Zealand expatriates who seek to return home and those who stay away, indicated the possibility of a self-reinforcing set of dynamics whereby the Kiwis who return are relatively socially and lifestyle rather than business oriented, and return to New Zealand precisely because they perceive it to be a socially or lifestyle oriented rather than a business oriented country. If a number of them return, they may again change New Zealand's composition as a society, some would say for the worse by making it less businesslike and hence less able to survive and grow in a competitive global economy. Of course, New Zealanders have repeatedly indicated in polls that they prefer a society which places social goals and "lifestyle" above economic goals (e.g. Growth and Innovation Advisory Board, 2004). Unfortunately, social cohesion and lifestyle are enhanced in the end by factors such as good health and education systems and good social services. These have to be paid for, and it may well be that even in relation to enhanced lifestyle, the attraction to New Zealand of more people with high drive for accomplishment and business success might be a good thing.

On the whole, though, we are inclined to take a more positive view. This study clearly shows that there is a desire by many expatriate New Zealanders, to either return to New Zealand or to contribute to New Zealand from an overseas base. Research from other countries (eg Barrett & Trace, 1998 and Barrett, 2001) suggests that returnees have a wide range of skills and experiences that can contribute to a growing economy. Further, they often have the international networks and contacts that are essential in a global society. This highlights the need for Central Government to take a three-pronged approach to the flow of talent in New Zealand. First, the evidence implies that there is a need for the development of policies that facilitate and ease the return of expatriate New Zealanders, so they are encouraged to bring their enhanced skills back to New Zealand. Second, the development of a formal expatriate network system, integrated into the business environment, could ensure that the skills of the diaspora can be utilised effectively. Third, the continuation of an immigration system which focuses on the highly skilled is required, to counterbalance the outflow of New Zealand talent. Further, at the local level, organisations must be innovative and create enough challenge to appeal to expatriate high-flyers, to attract these people back to New Zealand. If we do these things,

we are quite capable of creating a new surging flow of talent into our enterprises and our national and international life.

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Note: A more detailed account of the research reported in this paper is available from <http://www.newzealandersabroad.org.nz>. Some results in the current paper are taken directly from this report.

¹In all tables, numbers may be less than the 2,201 due to non-response to some questions

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