

GPSG Working Paper #28

Migrant Brain Waste in Greece

*Dr Sotiris Petropoulos
Adjunct Lecturer
Department of Political Science & IR
University of Peloponnese*



GPSG Working Papers – Special Mini-Series Migrant Integration in Greece: Barriers to Multiculturalism

Abstract

The focus of the research paper is the phenomenon of brain waste in Greece. The issue, defined as the under-utilization of the human capital represented by migrants, has gained significant attention in contemporary economists and social scientists based on the increased flows of third country nationals to the developed part of the world. Anecdotal stories of trained doctors and lawyers from developing countries working as taxi drivers and maids in New York, London and Berlin have gained momentum as more and more migrants with significant educational backgrounds are entering western countries with the dream of a better life only to discover that the host labour market does not value their qualifications. The importance of the phenomenon is highlighted by the fact that this trend clearly creates labour market inefficiencies, decreasing the added value of migrants working in the host society which in turn fuels anti-migrant movements. Greece as a rather recent recipient of third country nationals is showing various indications of brain waste. This research paper presents the position of migrants within the Greek labour market arguing that in face of the rising popularity of anti-migrant voices brain waste needs to be taken into serious account.

Keywords: *migrants, Greece, brain waste, anti-migrant movements*

Author Bio: *Dr. Sotiris Petropoulos holds a Degree in Shipping, Trade and Transport (University of the Aegean, Greece), an MA in International Political Economy (University of Warwick, UK) and a PhD in International Relations (Harokopion University of Athens, Greece). From 2003 to 2007 he worked as Researcher at the Institute of International Relations of Athens, Greece while from 2008 to 2013 he acted as International Donors Senior Associate at Ernst&Young being responsible for IDA project across the world. Since 2009 he has been teaching as adjunct lecturer at the Department of Mediterranean Studies, University of the Aegean (1 year), the Department of the Regional Economic Development, University of Central Greece (2 years) and at the Department of Political Science & IR, University of Peloponnese (from 2013 until today). He has written extensively on issues related to regional integration, emerging powers, civil society and international development issues. His research interests include complex phenomena of world politics including migration.*

Introduction

In an era of increasing flows of migrants across the globe the issue of *brain waste* has been highlighted as a crucial issue in contemporary politics as well as in economics. On the one hand brain waste decreases the economic benefits for the host economy from migrant labour while on the other it creates additional barriers to migrants' integration to the host society. In principle, both effects negatively reinforce each other with low economic returns rendering host societies less favorable to economic migrants and the low integration of migrants less probable of being utilized to their full potential. With the enhanced flows of economic migrants to most developed economies and with the rise of far-right movements the issue seems to be gaining a new dynamism for the research agendas of economists, political scientists and sociologists. As Wanner (2001: 417) points out "*the central immigration issue of the new century...in all postindustrial societies receiving immigrants will be how can these countries better utilize the skills represented by the educational credentials and labour force experience acquired by immigrants in their countries of origin*".

Greece, a relatively recent receiver of migrant flows, has been witnessing an increase in incoming refugees and migrants as well as a rise of far-right political parties. These developments make the issue of migrant integration to the Greek society both crucial and urgent. Nevertheless, there is a lack of holistic approaches to the phenomenon, while the issue of brain waste has never been discussed in detail. Although stories of migrants previously working as doctors and architects in their home countries and now making a living as taxi drivers and maids abound, little focus has been given to the phenomenon at the academic level.

This working paper is part of a wider research project titled "Overcoming Barriers to a Multicultural Society" which is co-funded by the European Economic Area Financial Mechanism (2009-2014) and the General Secretariat of Research and Technology of Greece. The main focus of the research project was to identify the legal, cultural, economic obstacles as well as barriers to education that halt the path towards a multicultural society in Greece. Within the research project the issue of brain waste was analyzed based on findings from (a) desk research, (b) a questionnaire survey involving representatives of Greek companies, (c) a series of focus groups directed to representatives of Greek companies and (d) several discussions with migrants living in Greece. The main results are presented in the following sections.

The phenomenon

In economics "brain waste" is defined as the under-utilization of human capital enclosed in employees of foreign origin. This represents a market failure to recognize the value of education and work experience gained in a foreign country. This leads to lower incomes for migrants but also the economic well-being of the host country is also affected as mentioned by Reitz (2001) who focused on Canada and the earnings deficit of people of migrant background.

A series of studies have focused on identifying whether brain waste is really an issue. For example Baker and Benjamin (1994) tried to analyze whether migrants do suffer from brain waste and reached the conclusion that they do earn less than expected based on their educational background compared to natives. Similarly, Pecoraro (2011) lists a number of studies that highlight the phenomenon of migrant employees being over-qualified (i.e. their educational qualifications as well as past work experience being under-utilized in host

labour markets). Battu and Sloane (2004) and Lindley (2009) reach the same conclusion in the case of the UK, Dumont and Monso (2007) overall for OECD countries, Nielsen (2009) for Denmark, Chiswick and Miller (2008, 2009) for the USA and Riaño and Baghdadi (2007) for Switzerland. The depth of discrimination varies from 7% to 57% (McGuinness, 2006) or from 21% to 51% (Pecoraro, 2011).

Going further, an ILO-funded study focusing on Belgium, Germany, the Netherlands and Spain (de Beijl, 2000) concluded that *in western Europe immigrants and minority workers suffer unemployment rates frequently two to three times higher than those of national workers*. And this difference tends to be among the most fundamental factors leading to marginalization.

Interestingly, it is not just that people of foreign origin are usually paid less or are employed in positions in which they are underutilized but it is also less likely for them to be invited for an interview for which they have the required qualifications compared to natives. For example, Carlsson and Rooth (2007) have calculated that in Sweden, a rather open society, the probability of being called for an interview is about 10% less for applicants from the Middle East compared to Swedish people.

In trying to understand why brain waste is a reality in most developed economies, a series of studies have identified various factors that explain the phenomenon. Brzozowski (2007), for example, understands brain waste as mainly the result of the imperfections of labour markets in receiving countries due to, most importantly, administrative barriers related to (a) protecting native workers and (b) protecting specific interest groups within the host labour market. Both barriers are usually related to licensing policies that render the ability of a migrant worker to exercise specific jobs a rather difficult case. While in order to be employed as a doctor it is imperative that a person pass some form of test, the fact that this is usually being done in the native language of the host country renders the acquisition of such a license very difficult.

Sumption (2013) argues that overall it is the tendency of employers to be risk-averse that decreases the probability of them hiring a migrant. As they are uncertain about whether the migrant can be reliable and productive, they prefer not to undertake the risk linked with employing the wrong person. This phenomenon is more common in occupations in which technological gaps between countries can affect the skills of a migrant related to tasks to be undertaken. For example, in many developing countries high-end medical equipment is rarely used while its utilization in developed countries is considered common practice. A doctor from a developing country thus may not be able to work as efficiently as a native doctor.

Likewise, Wanner (2001) highlights the fact that host countries' employers tend to more frequently discount the value of the credentials and work experience acquired in the migrant home country as they have little knowledge of the conditions and the level of quality of education in the latter's country of origin. As developed economies are more and more transformed into knowledge economies the distrust over migrant qualifications will become a more and more important factor in explaining brain waste.

Building on the above, Friedberg (2000) focused on the source of migrant human capital and tested whether it can be considered transferrable or 'portable' from one country to another. She finds that national origin of education qualifications and work experience crucially affect migrant value in the host economy's labour market. In essence, even in the cases of migrants from developed countries now living in other developed countries, education and work experience acquired are not recognized to their full extent by the host

country's labour market as not all qualifications are considered portable from one country to another.

If the reasons of brain waste were only related to economic and labour market issues, the problem could have been considered as an important but not pressing one. After all, market failures can, in principle, be corrected via a set of public policies that assist the host society overcome problematic "technicalities". In the very end this would also mean that second generation migrants would not experience any discrimination.

Nevertheless, there is an expanding literature that identifies a rather different set of factors leading to brain waste. For example, Carlsson and Rooth (2008) went back to their initial findings related to migrant' brain waste in Sweden aiming at a more in-depth analysis of the reasons behind migrants having less opportunities to be invited for an interview. They wanted to assess whether such a discrimination compared to native Swedish applicants for the same job position was related to (a) the uncertainty on migrants' qualifications gained outside Sweden or (b) the fact that the applicants were of foreign origin. Their study led to the following results: although 23% of the discrimination experienced by migrant applicants related to the fears of employers about the quality of the applicants' qualifications, 77% was directly related to the *migrant applicants' names per se*.

Similarly, Matto et al (2006) documented that the probability of obtaining a skilled job in the US is 69% for a migrant from India as opposed to just 24% for a person from Mexico. Wanner (2001) argues that migrants from Western European countries do quite well compared to migrants from less developed countries. In addition, Coates and Carr (2005) tested *finely balanced, equally matched job candidates who ostensibly happened to originate from New Zealand versus other countries in Australasia, Europe, Africa, Asia, and the South Pacific*, and highlighted clear preferences to, among others, the socio-economic position of the country of origin of the candidate vis-à-vis New Zealand.

Most importantly, Shinnaoui and Narchal (2010) came to the conclusion that discounts in migrants qualifications enclose elements of *aversive racism* (i.e. negative evaluations of racial/ethnic minorities through avoiding or trying to minimize interaction while usually not declaring being a racist). Similarly to some of the above studies, they created resumés of hypothetical applicants on the dependent variables (person-job and person-organization fit) and a set of independent variables: modern prejudice score, place of birth, and location of training (Australia, UK, and Lebanon). Their study resulted in the Lebanese applicants being rated significantly less favorable than both the UK and the Australian ones.

Based on the fact that the nature of migration has changed in the recent decades, the issue of brain waste has gained in importance. While until the 1980s most developed countries (e.g. Canada) would receive migrants based on specific human capital characteristics related to their labour market needs, current migration flows are mainly related to people registered as refugees or under family reunification schemes. One problem emerging from this new reality is that people entering such countries are not screened for their human capital characteristics and thus (a) employers are less confident on the skills that such people have (at least before there was a minimum of qualifications imposed by the rules of the host country) and (b) home society tends to become more cautious on the effect over its well-being.

The case of Greece

Until the 1980s Greece was a country of emigration with numerous Greeks moving to Europe, North America, Australia and even Africa. This situation was quickly changed since

the collapse of communism as many east Europeans, mostly Albanians, migrated to wealthier Greece. At first these migration flows were considered as temporary. The Greek state did not develop a migration policy besides occasional deportations reflecting public discontent. In fact, the first public program for naturalizing migrants came into effect in 1997, under the pressure of the number of migrants without official papers. At the core of this policy was the idea of providing short-term licenses that would be required to be renewed regularly, giving a sense of control over such population (Triandafyllidou and Veikou, 2002).

Following the continuation of migrant flows to Greece, a new law related to migrant integration was passed in 2005 but was much left un-operational, at least the part that talked about setting up centers for learning the Greek language, history and civilization (Article 66, Law 3386/2005). In addition, in 2010 another Law related to the conditions for granting the Greek citizenship was introduced, setting *jus soli* as the main principle of citizenship in Greece for the first time. According to the Law, anyone that is born in Greece by migrant parents who legally live in the country during the past five years is granted the Greek nationality. This legal provision was partially blocked by some legal issues that were ultimately overcome by a new Law passed in 2015 by the current Syriza government.

In general, the first wave of migrants was initially not very welcomed by the Greek society, though the positive effects on the economy were soon understood (although low-skilled native population felt some pressure) and while the close cultural proximity allowed for migrants to quite quickly integrate. Twenty years later most migrants have been accepted in the Greek society and they are not under the (direct) focus of nationalistic sentiment and statements in Greece (Lazaridis and Poyago-Theotoky, 1999).

In contrast to this first experience, the next waves of migrants included a significant number of Africans and South Asians. Moreover, during the last couple of years Greece has been witnessing a big increase of asylum seekers coming from Somalia and more recently Syria as well as Afghanistan. Although these waves are quite new, the fact that the newcomers culture differs significantly from the prevailing one, has already rendered them the primary target of xenophobic statements even from representatives of mainstream political parties.

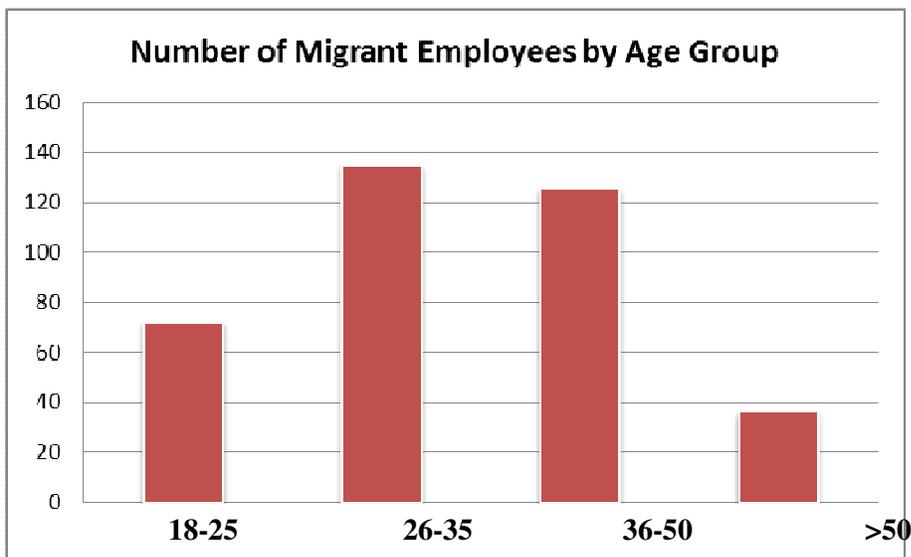
In addition to the problem of cultural differences, the issue of race seems also to play a major role: as the new migrant population consists of mainly blacks and South Asians there are easily recognizable among the general public. Indeed, due to their darker skin they have been targeted by nationalists and the far-right receiving the title of “vromiarides” (dirty people) (Eleftherotypia, 2010). Among the most prominent supporter of this view has been the far-right Greek political party “Golden Dawn” which since 2012 has gained worrisome electoral power.

In such an environment one would expect that “brain waste” would be a significant issue in Greece. Indeed, OECD studies on migrants indicate that migrants in rich countries are often better-educated than natives. Less than a fifth of locals in OECD countries are university-educated compared with almost a quarter of foreign-born workers. Moreover, throughout the OECD, immigrants find it harder to match their skills to a job than locals do. The more educated migrants are, the more likely they are to be over-qualified for their work. However, levels of “brain waste” differ spectacularly among OECD countries. Greece scores particularly badly: migrants in the country are three times as likely to be too qualified for their jobs as native-born workers are. These are the highest levels of “brain waste” among OECD countries (Gropas and Triandafyllidou 2011; Palaiologou and Faas 2012).

This finding is also consistent with results of studies of more qualitative nature. For example, Lalagiani and Vathakou (2017) in their study of five migrant communities in Greece have recorded several cases of “brain waste”. Similar to the taxi drivers stories, the researchers have found several cases of people being under-utilized based on their qualifications like the migrant from Georgia who having being educated as a lawyer is currently working as an oil painter. In their research they confirm studies indicating that at least a 15% of migrants hold degrees in law, literature, civil engineering, etc but are employed as cleaners, domestic servants, plumbers or maids. Moreover, an additional 25% works in a totally different sector from the one they received education, though this is rather common also to native Greeks.

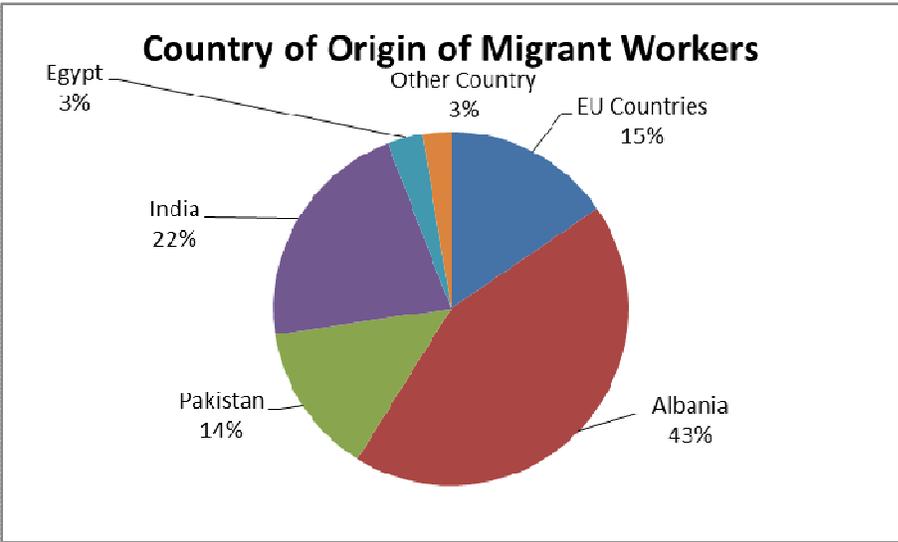
The quantitative survey conducted under Work Package 2 of the research project “Overcoming Barriers to a Multicultural Society” provides strong indications towards the importance of *brain waste* in Greece. The survey consisted of a questionnaire dispatched to Greek companies from all economic sectors and gathered more than 60 responses. From our sample 37% of companies focused in commerce, 23% on industrial products, 6.1% in construction and 4.1% in tourism. The study resulted in the following key findings:

Among the research sample 63% was employing migrants. In total, the companies taking part in the research employ 472 migrants (304 or 64% being males and 168 or 36% being females). Most of the employees belonged to the age group of 26-35 while the age group of 36-50 was ranked second.

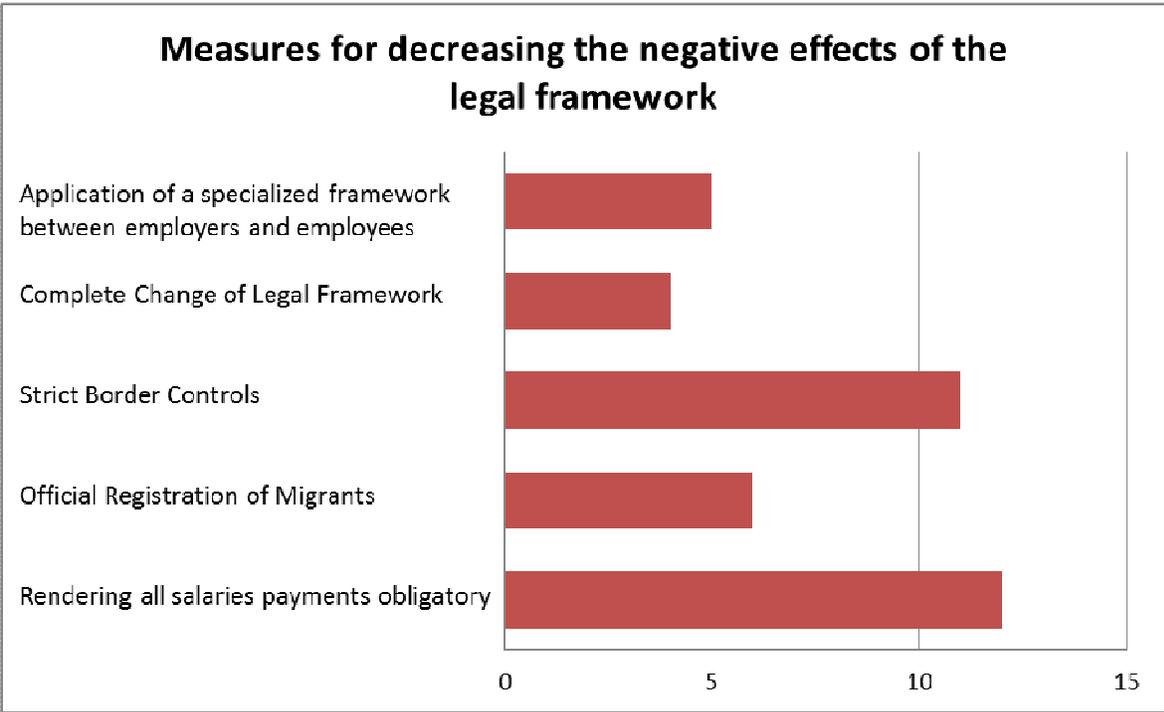


As expected, the greatest percentage of migrant workers are Albanians (43%) followed by Indians (22%) and people from Pakistan (14%).

Interestingly, among the 37% that did not employ people of migrant background they noted the lack of specialized skills (15.4%), the high unemployment rates of Greek natives leading them to prefer locals to migrants (13%), the problem with the existing regulatory framework related to employing migrants (12%) and problems in communicating with them (3.8%) as the main reasons for not doing so. At the same time, respondents employing migrants reported that they have selected their employees because they only offer low-skills posts (18%) and **because migrants are paid less** (12.5%).



Respondents were also asked to evaluate the regulatory framework related to employing migrant workers. 59% of them described the relevant legal framework as “non-sufficient” or even “problematic”. It is, according to findings, a rather bureaucratic system for securing work permits (67% of respondents cited it as number one issue) while a significant 28% mentioned that a key problem is the inefficiency of the state to confine migrants being illegality employed creating conditions of unfair competition.

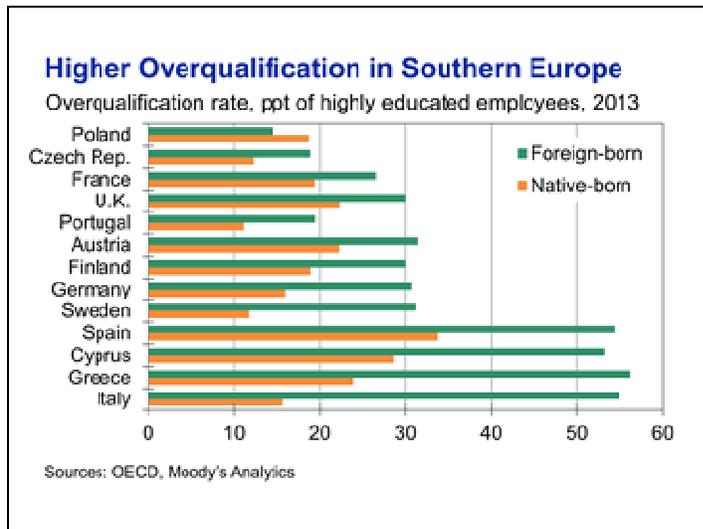


Interestingly, responses to the means utilized for finding migrant workers highlighted that job advertisements are used by only a 22% of the sample while a significant 58.5% finds other migrant workers by asking their existing employees. This seems to be rather important as it is logical to assume that current workers will provide a good overview of what the work is about to potential new migrant workers (who probably are their friends). In

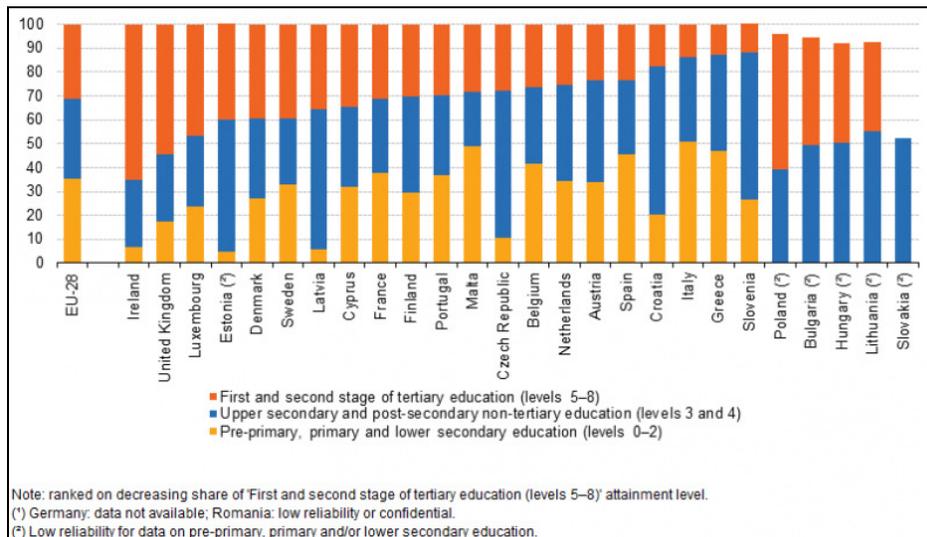
such a case it is expected that any under-utilization of a potential worker is apparent in advance.

As expected, only a 31.3% of respondents mentioned that they are using different evaluation processes when migrant applications are assessed. And an almost 60% among them noted that the main difference relates to imposing stricter checks on the documentation (in particular work permits) of applicants. Nevertheless, the personality and the ability to communicate is also a concern of Greek companies while a 6% mentioned that priority to Greeks is given, especially during the *current harsh times*.

Of course these findings do not per se expose any brain waste. This is highlighted by studies that focus on over-qualification such the one presented below:



The figure above clearly points out the significant higher levels of under-utilization of employees' qualifications between migrants and natives across Southern Europe, with Greece ranking second after Italy. Similarly, the figure below highlights that even though migrants in Greece have comprehensively a lower educational background than in other European countries, more than 50% of them have post-secondary or tertiary education.



Going further, in the focus groups conducted participants indicated that they cannot be sure of the quality of the academic qualifications of their migrant workers and as the latter do not submit certifications from public bodies their HR departments do not acknowledge such qualifications (leading at times to lower salaries and fewer opportunities for job advancements).

Differences in payments can also be traced to Greek Social Insurance Institute's (IKA) statistics. In the most recent ones (published in April 2016) average wages of employees of migrant background are by far lower than the ones of native Greeks as well as Europeans. Going further, data on wages are not synched with data on education levels. For example, Albanians receive about 66% of the wages of Greeks while Georgians' wages account of just 55% of the wages earned by Greeks. As data show that both nationalities comprise a rather educated crowd (comparable to Greeks) such differences cannot be directly attributed to lower qualifications.

TABLE 2.6: ENTERPRISES
DISTRIBUTION OF INSURED POPULATION , AVERAGE EMPLOYMENT (DAYS) & AVERAGE WAGE BY NATIONALITY

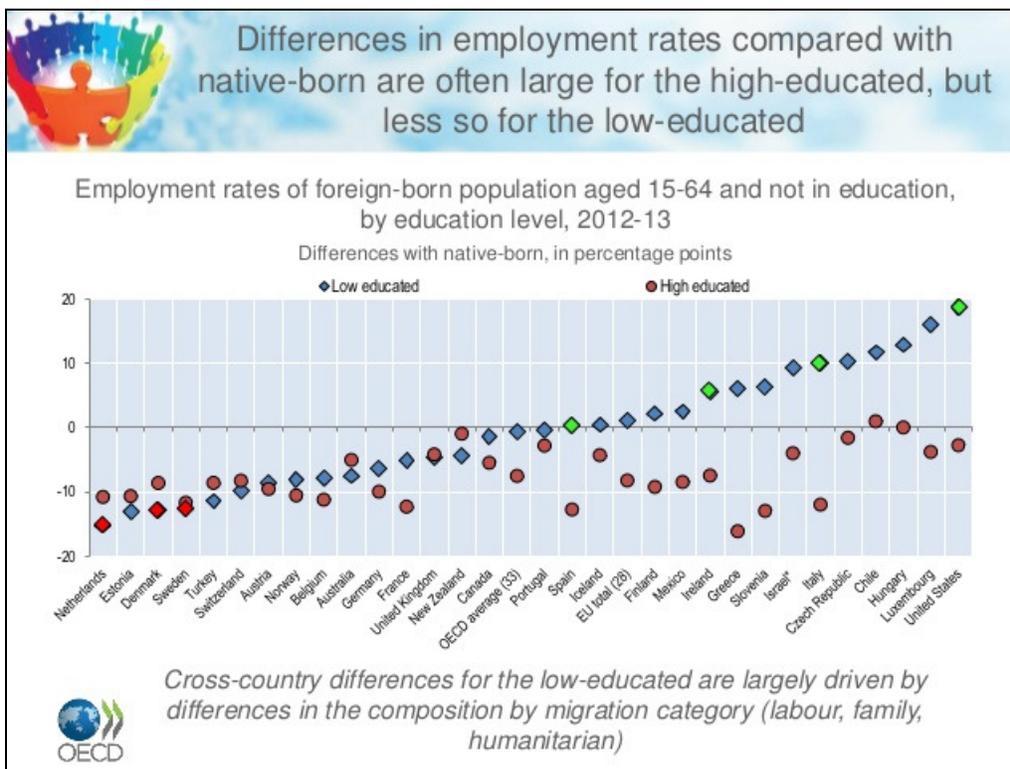
| ΥΠΗΚΟΟΤΗΤΑ NATIONALITY | Αριθμός Ασφαλισμένων No of Insured Individuals | | | Μέση Απασχόληση Average Employment (Days) | | | Μέσο Ημερομίσθιο Average Wage | | |
|--------------------------|---|---------------------|------------------|--|---------------------|-----------------|----------------------------------|---------------------|-----------------|
| | Ανδρες Males | Γυναίκες Females | Σύνολο Total | Ανδρες Males | Γυναίκες Females | Σύνολο Total | Ανδρες Males | Γυναίκες Females | Σύνολο Total |
| Ελλάδα - Greece | 800.281 | 748.650 | 1.548.931 | 23,06 | 22,28 | 22,68 | 64,16 | 50,23 | 57,50 |
| Αλβανία - Albania | 51.067 | 32.145 | 83.212 | 22,82 | 21,68 | 22,38 | 40,71 | 34,74 | 38,45 |
| Ρωσία - Russia | 5.240 | 8.406 | 13.646 | 22,25 | 21,52 | 21,79 | 38,55 | 28,69 | 32,51 |
| Πακιστάν -Pakistan | 4.582 | 8.889 | 13.471 | 23,02 | 22,12 | 22,42 | 43,49 | 31,09 | 35,37 |
| Βουλγαρία - Bulgaria | 11.820 | 37 | 11.857 | 23,04 | 20,59 | 23,04 | 37,91 | 35,80 | 37,90 |
| Ρουμανία - Romania | 5.813 | 5.022 | 10.835 | 22,43 | 21,32 | 21,91 | 41,01 | 34,39 | 38,01 |
| Ινδία - India | 1.504 | 3.798 | 5.302 | 23,80 | 24,11 | 24,02 | 31,35 | 21,66 | 24,42 |
| Μπαγκλαντές - Baglandes | 4.554 | 130 | 4.684 | 23,64 | 22,52 | 23,61 | 40,51 | 37,26 | 40,43 |
| Φιλιππίνες - Philippines | 4.273 | 27 | 4.300 | 22,07 | 22,75 | 22,07 | 35,85 | 34,95 | 35,84 |
| Γεωργία - Georgia | 1.762 | 2.347 | 4.109 | 22,65 | 21,89 | 22,21 | 37,04 | 28,01 | 31,93 |
| Πολωνία - Poland | 1.376 | 1.941 | 3.317 | 22,66 | 21,40 | 21,92 | 43,86 | 34,68 | 38,58 |
| Ουκρανία - Ukania | 686 | 2.170 | 2.856 | 22,71 | 21,79 | 22,00 | 38,63 | 30,38 | 32,41 |
| Αίγυπτος - Egypt | 2.178 | 134 | 2.312 | 23,16 | 22,08 | 23,10 | 40,90 | 36,84 | 40,67 |
| Κύπρος - Cyprus | 1.131 | 1.116 | 2.247 | 22,91 | 21,36 | 22,13 | 83,13 | 54,63 | 69,24 |
| Βρετανία - England | 599 | 951 | 1.550 | 23,07 | 21,86 | 22,32 | 38,35 | 31,82 | 34,41 |
| Μολδαβία - Moldabia | 725 | 820 | 1.545 | 22,84 | 21,74 | 22,25 | 96,56 | 54,92 | 74,88 |
| Συρία - Syria | 829 | 510 | 1.339 | 22,74 | 22,51 | 22,65 | 34,79 | 31,97 | 33,73 |
| Κίνα - China | 1.133 | 94 | 1.227 | 22,63 | 22,86 | 22,65 | 40,78 | 37,08 | 40,50 |
| Γερμανία - Germany | 504 | 692 | 1.196 | 22,80 | 21,35 | 21,95 | 92,79 | 47,76 | 67,26 |
| Ιράκ - Iraq | 532 | 610 | 1.142 | 22,88 | 21,05 | 21,89 | 38,67 | 31,15 | 34,78 |
| Σερβία - Serbia | 497 | 550 | 1.047 | 23,09 | 22,30 | 22,67 | 48,37 | 40,86 | 44,47 |
| Αρμενία - Armenia | 941 | 64 | 1.005 | 23,24 | 22,58 | 23,19 | 37,07 | 35,93 | 37,00 |
| Ιταλία - Italy | 517 | 376 | 893 | 23,34 | 21,80 | 22,68 | 152,80 | 59,27 | 114,43 |
| Τουρκία - Turkey | 488 | 376 | 864 | 23,29 | 21,72 | 22,59 | 78,74 | 49,68 | 66,25 |
| Γαλλία - France | 515 | 280 | 795 | 22,61 | 23,18 | 22,81 | 55,77 | 46,49 | 52,46 |
| Αφγανιστάν - Afghanistan | 593 | 5 | 598 | 22,39 | 22,80 | 22,40 | 34,83 | 28,33 | 34,77 |
| Αιθιοπία - Ethiopia | 214 | 379 | 593 | 23,66 | 22,99 | 23,24 | 38,33 | 26,62 | 30,95 |
| Νιγηρία - Nigeria | 309 | 256 | 565 | 23,80 | 23,77 | 23,79 | 33,34 | 22,95 | 28,65 |
| Λοιπές - Others | 4.517 | 3.825 | 8.342 | 23,13 | 21,49 | 22,37 | 59,94 | 43,02 | 52,43 |
| ΣΥΝΟΛΑ - TOTAL | 909.180 | 824.600 | 1.733.780 | 23,04 | 22,24 | 22,65 | 61,67 | 48,79 | 55,61 |

Similarly, data on wages in the construction sector indicate that differences cannot be attributed to just a distinction between natives and migrants. For example, average wages of Albanians in the sector reach about 86% of the ones of Greeks. Thus, larger differences in wages can be tentatively attributed to some short of brain waste.

TABLE 2.7: CONSTRUCTIONS
NUMBER OF CONSTRUCTION WORKERS*, AVERAGE EMPLOYMENT (DAYS) & AVERAGE WAGE BY NATIONALITY

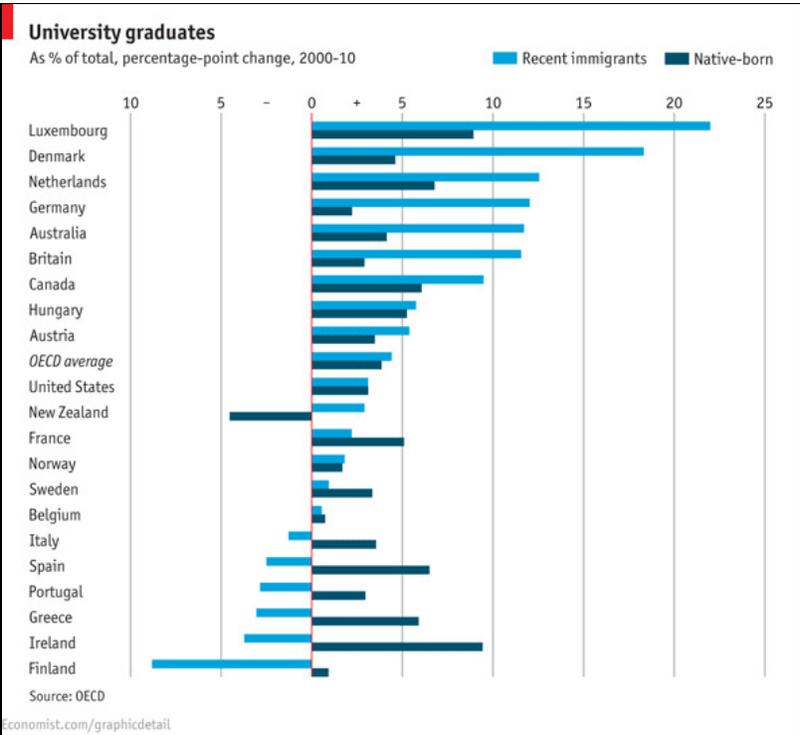
| Υπηκοότητα - Nationality | Αριθμός Οικοδόμων No of Construction Workers | | | Μέση Απασχόληση Average Employment (days) | | | Μέσο Ημερομίσθιο Average Wage | | |
|-------------------------------|---|---------------------|-----------------|--|---------------------|-----------------|----------------------------------|---------------------|-----------------|
| | Ανδρες Males | Γυναίκες Females | Σύνολο Total | Ανδρες Males | Γυναίκες Females | Σύνολο Total | Ανδρες Males | Γυναίκες Females | Σύνολο Total |
| ΑΚΑΘΟΡΙΣΤΗ ΥΠΗΚΟΟΤΗΤΑ-UNKNOWN | 6 | 0 | 6 | 13,67 | | 13,67 | 56,85 | | 56,85 |
| ΕΛΛΗΝΙΚΗ-GREECE | 62.999 | 1.273 | 64.272 | 12,86 | 12,68 | 12,86 | 73,57 | 62,44 | 73,35 |
| ΑΛΒΑΝΙΚΗ-ALBANIA | 38.267 | 423 | 38.690 | 13,02 | 12,70 | 13,02 | 63,71 | 61,74 | 63,68 |
| ΡΟΥΜΑΝΙΚΗ-ROMANIA | 3.625 | 52 | 3.677 | 12,37 | 12,56 | 12,38 | 62,60 | 59,77 | 62,56 |
| ΡΩΣΙΚΗ-RUSSIAN FEDERATION | 1.630 | 43 | 1.673 | 12,94 | 2,93 | 12,68 | 63,72 | 259,10 | 64,88 |
| ΑΙΓΥΠΤΙΑΚΗ-EGYPT | 1.615 | 8 | 1.623 | 12,60 | 67,75 | 12,87 | 62,26 | 15,08 | 61,04 |
| ΣΥΡΙΑΚΗ-SYRIAN ARAB REPUBLIC | 1.336 | 6 | 1.342 | 13,04 | 12,67 | 13,04 | 59,27 | 61,50 | 59,28 |
| ΠΑΚΙΣΤΑΝΙΚΗ-PAKISTAN | 1.042 | 3 | 1.045 | 12,06 | 15,67 | 12,07 | 60,37 | 421,78 | 61,72 |
| ΒΟΥΛΓΑΡΙΚΗ-BULGARIA | 1.003 | 24 | 1.027 | 11,83 | 13,63 | 11,87 | 60,29 | 58,66 | 60,25 |
| ΠΟΛΩΝΙΚΗ-POLAND | 920 | 23 | 943 | 12,73 | 14,09 | 12,76 | 62,42 | 8,48 | 60,97 |
| ΓΕΩΡΓΙΑ-GEORGIA | 800 | 9 | 809 | 11,07 | 14,22 | 11,11 | 60,03 | 59,14 | 60,01 |
| ΜΟΛΔΑΒΙΑ-MOLDOVA, REPUBLIC OF | 268 | 4 | 272 | 13,90 | 10,25 | 13,85 | 60,11 | 84,00 | 60,37 |
| ΙΝΔΙΚΗ-INDIA | 269 | 2 | 271 | 12,39 | 30,50 | 12,52 | 59,51 | 53,99 | 59,41 |
| ΙΡΑΚΙΝΗ-IRAQ | 218 | 0 | 218 | 11,46 | | 11,46 | 56,11 | | 56,11 |
| ΟΥΚΡΑΝΙΚΗ-UKRAINE | 161 | 10 | 171 | 12,48 | 13,60 | 12,54 | 61,93 | 58,93 | 61,74 |
| ΑΦΓΑΝΙΚΗ-AFGHANISTAN | 168 | 0 | 168 | 11,82 | | 11,82 | 54,53 | | 54,53 |
| ΑΡΜΕΝΙΑ-ARMENIA | 142 | 1 | 143 | 11,36 | 10,00 | 11,35 | 60,86 | 60,90 | 60,86 |
| ΤΟΥΡΚΙΚΗ-TURKEY | 68 | 1 | 69 | 13,44 | 25,00 | 13,61 | 63,91 | 67,59 | 64,01 |
| ΓΙΟΥΓΚΟΣΛΑΒΙΑ-YUGOSLAVIA | 59 | 1 | 60 | 14,42 | 10,00 | 14,35 | 67,95 | 57,59 | 67,83 |
| ΛΟΙΠΕΣ - OTHERS | 405 | 9 | 414 | 12,84 | 10,00 | 12,78 | 59,99 | 61,66 | 60,02 |
| Σύνολο TOTAL | 115.001 | 1.892 | 116.893 | 12,86 | 12,75 | 12,86 | 68,85 | 62,07 | 68,74 |

One of the reasons noted regarding brain waste is the *lack of a good command of the Greek language*. Such deficiency vis-à-vis a main requirement of Greek employers, which is rather high in several migrant communities in Greece, tends to decrease the value of any academic qualification and past work experience of migrant workers. This is not just to stress the argument of employers that if we cannot easily communicate it is of no use for us that the migrant worker or applicant has strong qualifications (which is partly debatable). It also highlights the difficulty these people have into getting the right licenses for working as lawyers or doctors or even just get the accreditation from a public body regarding their qualifications. This is a harsh reality as exams are being given in Greek while also all forms and processes are to be completed in the Greek language.



But even if these people get their qualifications recognized they face a tough reality as revealed by the figure above: a foreign-born highly educated person in Greece has on average more than 15% less opportunities of finding a job compared to natives while the image is reversed as far as migrants with low education.

The centrality and the urgency of the issue of brain waste cannot be stressed enough. On the one hand, migrants being employed in low-skilled jobs and being under-utilized tend to earn less and to be less beneficial to the host economy. This in turn fuels the voices of far-right movements that argue that migrants have a negative effect on the well-being of non-skilled natives. On the other hand, as migrants do not see a clear benefit for them to acquire new qualifications they could disregard educational opportunities leading to potential marginalization and non-integration in the host society. The following figure provides a clear indication of this happening in Greece as between 2000 and 2010 while the percentage of native Greeks getting a university degree increased by approximately 6%, it decreased for migrants by approximately 4%.



Source: *The Economist*

Brain waste can also have additional negative effects. A story that a civil engineer from country X could only find a job as a cleaner in country Y could potentially discourage educated people to reach that country but will not do the same for the less-educated, significantly affecting the comprehensive education background of migrants in country Y (again giving fuel to racist movements). Finally, people with higher qualifications will tend to understand country Y as a transit country, a necessary stop before reaching their original destination, i.e. another country in which brain waste is not considered to be an issue. In such case they are not expected to try to either integrate or undertake any meaningful activity. The current high inflows of third country nationals to Greece, many of whom are skilled with tertiary education qualifications serve as an opportunity to transform the country in a period where innovation and dynamic entrepreneurship is of utmost importance. For achieving this, lowering the probability of brain waste is a key issue.

References

- Baker, M., Benjamin, D. (1994) "The Performance of Immigrants in the Canadian Labour Market", *Journal of Labour Economics*, 12, pp. 369-405.
- Battu, H. and Sloane, P. J. (2004) "Over-education and ethnic minorities in Britain", *Manchester School*, 72(4), pp. 535–559.
- Brzozowski, J. (2007) "Brain waste, educational investments and growth in transitional countries", *Working Paper Cracow University of Economics*.
- Carlsson M, Rooth D-O., (2007) "Evidence of ethnic discrimination in the Swedish labour market using experimental data", *Labour Economics*, 14(4), pp. 716-729.
- Carlsson, M. and Dan-Olof, R. (2007) "Evidence of ethnic discrimination in the Swedish labour market using experimental data", *Labour Economics*, 14(4), pp. 716-729.
- Carlsson, M. and Dan-Olof, R. (2008) "Is it your foreign name or foreign qualifications? An experimental study of ethnic discrimination in hiring", *Institute for the Study of Labour – IZA*, DP No. 3810.
- Chiswick, B. R. and Miller, P. W. (2008) "Why is the payoff to schooling smaller for immigrants?", *Labour Economics*, 15(6), pp. 1317–1340.
- Chiswick, B. R. and Miller, P. W. (2009) "The international transferability of immigrants' human capital", *Economics of Education Review*, 28(2), pp. 162–169.
- Coates, K. and Carr, S. (2005) "Skilled immigrants and selection bias: A theory-based field study from New Zealand", *International Journal of Intercultural Relations*, 29(5), pp. 577-599.
- de Beijl, R. (2000) *Documenting discrimination against migrant workers in the labour market: A comparative study of four European countries*, ILO.
- Dumont, J.-C. and Monso, O. (2007) "Matching educational background and employment: A challenge for immigrants in host countries", *OECD Transition Economies*, pp. 156–196.
- Eleftherotypia (2010) "We are requesting for building a legal mosque" 17 November.
- Friedberg, M. R. (2000) "You Can't Take It with You? Immigrant Assimilation and the Portability of Human Capital", *Journal of Labour Economics*, 18, 221-251.
- Gropas, R. and A. Triandafyllidou (2011) "Greek education policy and the challenge of migration: an 'international' view of assimilation", *Race, Ethnicity and Education*, 14(3), pp. 399-419.
- Lazaridis, G., and Poyago-Theotoky, J. (1999) "Undocumented migrants in Greece: Issues of regularization", *International Migration*, 37(4), 715-740.
- Lindley, J. (2009) "The over-education of UK immigrants and minority ethnic groups: Evidence from the labour force survey", *Economics of Education Review*, 28(1), pp. 80–89.
- Mattoo, A., Neagu, I. C., and Özden, C. (2008) "Brain waste? Educated immigrants in the us labour market", *Journal of Development Economics*, 87(2), pp. 255–269.
- McGuinness, S. (2006) "Overeducation in the labour market", *Journal of Economic Surveys*, 20(3), pp. 387–418.

- Nielsen, C. (2009) "Immigrant over-education: evidence from Denmark", *Journal of Population Economics*, 24(2), pp. 499-520.
- Palaiologou, N. and D. Faas (2012) "How 'intercultural' is education in Greece ? Insights from policymakers and educators", *Compare*, 42(4), pp. 563-584.
- Pecoraro, M. (2011) "Gender, brain waste and job-education mismatch among migrant workers in Switzerland", ILO.
- Reitz, J.H., forthcoming. "Immigrant Skill Utilization in the Canadian Labour Market: Implications of Human Capital Research," *Journal of International Migration and Integration*.
- Riaño, Y. and Baghdadi, N. (2007) "Understanding the labour market participation of skilled immigrant women in Switzerland: The interplay of class, ethnicity, and gender", *Journal of International Migration and Integration*, 8(2), pp. 163–183.
- Shinnaoui, D. and Narchal, R. (2010) "Brain Gain to Brain Waste: Individual Biases, Prejudice, and Discounting of Migrant Skills", *Journal of International Migration and Integration*, 11(4), pp. 423–437.
- Social Insurance Institution (IKA), Monthly Statistics, April 2016.
- Sumption, M. (2013) "Tackling brain waste: Strategies to improve the recognition of immigrants' foreign qualifications", *Washington, DC: Migration Policy Institute*.
- Triandafyllidou, A. and Veikou M. (2002) "The hierarchy of Greekness: Ethnic and national identity considerations in Greek immigration policy", *Ethnicities*, 2(2), pp. 189-208.
- Vathakou, E and Lalagianni, V. (2017) "Studying five migrant communities in Greece today: Language, education and intercultural dialogue as obstacles and catalysts to integration" in Huliaras, A. and Petropoulos, S. (eds) *Overcoming Barriers, searching for opportunities: migrants' integration in Greek Society*, Athens: Papazisis Publications.
- Wanner, Richard A. (2001) "Diagnosing and preventing 'brain waste' in Canada's immigrant population: A synthesis of comments on Reitz", *Journal of International Migration and Integration/Revue de l'integration et de la migration internationale*, 2.3, pp. 417-428.

Email: petropouloss@yahoo.gr

© Sotiris Petropoulos, 2017