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The Migration of Skilled Workers is Essential for the Development of Any Small Economy

In the book *Development and Stabilization in the Small Open Economy* published a year ago, I examined the successes and failures of 41 small economies around the world. The countries selected had a Gross Domestic Product of US\$100 billion or less. Among them was Jamaica, the second largest economy in Caricom, with a GDP of \$15 billion. That is a little less than the economic size of Staten Island in New York (\$17 billion). Most people who live in Staten Island work abroad in Manhattan and elsewhere in New York and New Jersey. The minority who work locally in Staten Island are mainly employed in personal, community and local business services. They are not, by and large, the most skilled residents of the island. The domestic economy offers only a limited range of opportunities for skilled workers. If you are an engineer, musician, basketball player, writer, philosopher, marine biologist or fall into any of hundreds of other professions, you will not find employment at home in Staten Island.

If we substitute Jamaica for Staten Island, similar logic applies. Even in the tourist enterprises in which the country specialises, the number of senior managerial, professional and technical jobs on offer is limited, far less than the number of talented young people who enter those occupations each year. And there is no work at home for those who aspire to jobs in aviation, automobile design, bioengineering, high

finance, etc, etc. In short, the fact of the matter is that a small economy cannot, by virtue of the limited range of activity in which it can attain internationally significant production, provide employment opportunities for the majority of its most talented population. If government wishes to afford each member of the population opportunities to realise their fullest potential, the official strategy must contemplate the emigration of a majority of their foremost minds and abilities.

This circumstance calls for a revision of educational policies which aim to tailor skills to employment requirements in the local economy. The Caribbean's tertiary level institutions produce large numbers of graduates in managerial, business, professional and personal services, far too many for the requirements of the local economy. Many seek jobs abroad, and many more find local jobs in which they cannot use the skills they have acquired; all too often those jobs are in the public services. Those students who have aptitudes and aspirations in scientific and technical fields will find little by way of example or inspiration in the Caribbean. There are no hometown heroes in the scientific, technical, engineering and mathematical fields, and no local mentors for a majority of those with these skills, because Caribbean countries boast few industries that employ such persons. Their models for employment are overseas, as are the job opportunities for those who are trained in these areas. Caribbean educational policies must be tailored in light of this reality.

There is a widely recognised deficit in tertiary education in science, technology, engineering and mathematics in the Caribbean. The challenge is not to supply graduates to work in the region, but to raise the quality of Caribbean knowledge and education in these fields, which on the whole is not up to the highest international standards. Our governments owe it to our finest minds to give them the best start possible in scientific disciplines, even if there is no possibility of employment for them in the region. The programme which best demonstrates the potential of STEM education of Caribbean students is an initiative of the US-based Caribbean Science Foundation, through which more than a hundred Caribbean students have been put on paths for careers at the frontiers of scientific endeavour in North America. The CSA is a non-governmental organisation, founded by Barbadian Dr Cardinal Warde and his wife Dr Dinah Sah. Its work is supported and funded by individuals and companies in North America and the Caribbean.

Education of the population to the best internationally accepted standards should be the objective of all Caribbean educational systems, so that everyone has the choice of a career at home or abroad. Those with an inkling to make their career locally will do so if they can find jobs that pay well and offer good career prospects; such jobs will most often be with companies that offer internationally competitive tourist, business and financial services, and other efficient and productive enterprises. Other graduates, especially from tertiary institutions, should be supported if they choose to seek jobs abroad.

Why should Caribbean countries educate students to work abroad when domestic unemployment remains high by international comparison? The reason is that it is impossible to match educational outputs to the jobs on offer locally in an efficient way. In the first place, some of the jobs on offer are for highly specialised occupations. A five star Bahamian hotel needing to recruit a specialist chef will need to select from the international market; only if a Bahamian is foremost among the applicants for the post should they be the one selected. It is precisely because the domestic labour force is small that it will not provide a sufficiently large selection of candidates for top posts and specialist positions. A second and larger

mismatch is between the limited demand for low-skilled jobs and the large numbers in the labour force with limited or no skill. The solution for this problem is to improve the quality of primary and secondary education, so as to equip the overwhelming majority of students with the capacity to acquire a level of skill which makes them internationally mobile. In this way the pool of unskilled unemployed dries up, and instead there emerges a shortage of low skilled workers for construction, agriculture and similar work. That shortage may be filled by immigrants.

Caribbean governments, and the governments of small countries everywhere, should re-think educational policies which are nationalist in orientation. Education should be designed to equip students to be productive internationally; there is no need to protect the local job market. Local graduates must be able to hold their own against all comers. As to the question of experience which invariably arises, the relevant experience is in the international market, because that is the experience which assures the employer that the job seeker will perform at acceptable international levels of efficiency. What we should expect to see is that, among the applicants responding to top job searches from the small economy, there are several qualified, experienced locals from around the world who express an interest.

The road to labour market efficiency and high productivity in the small open economy lies through an open labour market. The economies of small nations grow and prosper through their transactions and interchanges with the world at large. Their openness applies to the market for jobs as well as the markets for goods, services and finance. Economics offers another illustration of the truth of the statement that “the only valid nationalism is cultural”, a quote attributed to the Czech historian and political scientist Hans Kohn (1891 - 1971).

My Economic Letters may be found under "[Commentary](#)" at DeLisleWorrell.com.