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Welcome to Poland

Poland is the most important emigration country of the EU. The main reason is that the average wage level is roughly one quarter of the wage level in Western Europe. Perhaps surprisingly, Poland has a chance to become a significant immigration country at the same time: the average wage level in neighbouring Ukraine and Belarus stands at roughly one quarter of the wage level in Poland. In particular, Poland could aim to attract high-skilled migrants who would help to sustain economic growth.

Of course, workers from Ukraine and Belarus might be even more interested in working in Western Europe, with wages roughly sixteen times higher than at home. But they will not be allowed to compete with Polish migrants in Western Europe in the immediate future. As Western European governments grapple with migration in the context of EU enlargement, they have been distracted from the global competition for talent.

And other, more welcoming destinations for highly skilled migrants like Australia and Canada are made less attractive by geographic distance. As a result, there is a window of opportunity for Poland to attract high-skilled migrants from Eastern Europe. One concrete vision for Polish migration policy could be to try and attract a community of 50 000 highly skilled migrants from Ukraine, Belarus, and perhaps Russia to the main urban areas of Poland by 2010. This would greatly strengthen the role of Warsaw in particular as an economic and cultural hub for Eastern Europe within the EU.

The resulting network effects may help to sustain the attraction of Poland for additional migrants even as the global competition for talent intensifies. Paving the way for future migration from 2010 onwards may also be helpful to partially absorb the demographic shift Poland is undergoing: The number of young Poles in the age bracket 20 to 25 is set to decline by 13 percent over the next 5 years.

Opening up to high-skilled migrants will allow Poland to punch above its weight in attracting investment to build a knowledge economy in the spirit of the EU's Lisbon strategy. Poland has roughly 2 million university students, Ukraine has about 2.5 million, and Belarus has 0.5 million. For foreign direct investors from knowledge industries who are already starting to complain about skill shortages in Poland, a recruitment pool of high-skilled and relatively low wage workers fed by a combined student population of 5 million (more than France and Germany together) is potentially very attractive.

However, a significant policy shift would be needed to turn this vision of Poland as a high-skilled immigration country into a reality. Today, Poland is

not an immigration country with just over 2 percent of the population foreign born, compared to around 10 percent in Western European countries and around 20 percent in classic immigration countries like Canada or Australia. Among the foreign born in Poland, just over 10 have a university education, compared to around 20 percent in Western Europe, and around 40 percent in Australia and Canada.

In 2005, about 2700 work permits were offered to citizens of the Ukraine. At the same time, Poland may have as many as 100 000 irregular migrants from the Ukraine, overwhelmingly engaged in low-skilled employment in the black economy. A recently announced change in Polish migration policy mostly aims at attracting seasonal workers for agriculture rather than substantial numbers of high skilled migrants.

The similarity between the shortcomings of current migration policy in Poland and Germany is striking. Aiming to protect its welfare states and low-skilled workers Germany has adopted a restrictive stance towards migration from the new member states with the notable exception of seasonal farm workers in response to lobbying by farmers. Those policies have in effect attracted large numbers of low-skilled workers from the new member states to irregular employment in Germany. At the same time, higher skilled migrants looking for legal employment from countries like Poland have been diverted to Ireland and the UK.

Of course, low-skilled and even irregular migrants contribute to economic growth and fill important gaps in the low-wage labour market. But in certain areas they may be competing directly with low-skilled locals who feel already threatened by globalisation. This, combined with the often irregular work arrangements, has the potential to seriously undermine the social acceptance of migration. High-skilled migrants, by contrast, are more likely to find jobs and create jobs for low-skilled locals, they are more likely to be net financial contributors to the welfare state, and often they find it easier to integrate.

Unfortunately, in 2004 Germany or France missed the opportunity to attract large numbers of highly skilled migrants from the new EU member states and the economic damage cannot be easily undone. Many bright young Polish migrants who might have considered coming to these countries two years ago would have lost their interest by now.

They may have gone to Ireland, initially worked in a job well below their qualification, already making a noticeable contribution to the thriving Irish economy. Now, they are progressively acquiring the language skills and the professional reputation to make better use of their talent. The full benefit to Ireland and to the migrants of the recent migration wave is only starting to unfold!

Poland should use the present window of opportunity to attract high-skilled migration from neighbouring Ukraine and Belarus, and beyond. Ideally, a points system similar to the one used in Canada could be introduced, favouring skilled young migrants with some proficiency in Polish or English,

and good job prospects. By successfully introducing such a system, Poland would not only serve her national interest.

In fact, the Polish example could help to change the tone of the debate on worker mobility within the EU to the advantage of all new member states. It may pave the way for a Blue Card, an European version of the US green card that would grant holders permanent access to the entire EU labour market. Such a Blue Card, to be allocated on the basis of a Europe wide points system, would be needed to attract more top talent to the EU that one could not hope to attract through a purely national system.

Finally, neighbourhood countries like the Ukraine may also benefit. Who is more likely to stay in touch: a rich uncle in Warsaw or in Sydney?