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**The Brain Drain is Dead,  
Long Live the New Zealand  
Diaspora**

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## **The Brain Drain is Dead, Long Live the New Zealand Diaspora**

### **Abstract**

Although 'tapping the diaspora' is now widely recognized as a viable aid strategy for transferring wealth from the 'developed' to the 'developing' world, there has recently been a surge of interest in 'the diaspora option' among the middle-income 'developed' countries of the former British Empire, all of whom have been grappling with high rates of emigration. This paper focuses on one such country – New Zealand. It shows how diaspora engagement has begun to offer a way out of an impasse in the local brain drain debate; a debate in which the reigning theories of migration and human capital (such as 'replacement migration') have helped perpetuate one-sided, in-flow oriented migration management and population planning paradigms. This paper offers a simple threefold typology of diaspora engagement strategies: *remittance capture*, *diaspora networking*, and *diaspora integration*. This paper highlights a need not only for empirical research into population movements and diasporas in the former British Empire, but also for attention to underlying conceptions about how diasporas in general should be conceived and researched, particularly for the purposes of engagement. Such research can be of use not only to development aid agencies, but also to national strategists in 'developed' middle-income countries.

### **Keywords**

New Zealand; migration; brain drain; brain gain; diaspora; migration and development; middling transnationalism

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## Introduction

Pessimistic and optimistic perspectives on migration and human capital in the 'developing' world have been contending since at least the 1960s. During the postwar period, this debate has given birth to various strategies aimed at mobilizing non-residents in aid of homeland development. It is only since the late 1990s that these strategies have been extensively remarked upon by scholars and policymakers from the 'developed' world (Meyer et al. 1997), sparking a surge of interest in 'diaspora engagement' strategies on the part of middle-income nations such as the former British territories of Southern Africa (Kaplan & Meyer 1998; Chetsanga 2003; Crush 2004), Australia (Hugo et al. 2003; Fullilove & Flutter 2004; Senate Legal and Constitutional References Committee 2005), Canada (Evans & Woo 2004; Woo Undated) and New Zealand (L.E.K Consulting 2001; Glass & Choy 2001; Bryant & Law 2004; Clark 2004).

Australia, Southern Africa, Canada and New Zealand share similar social, political and economic histories. Following the post-WWII devolution of the British Empire they have coalesced into a middle-income stratum among the world's nation-states. Various discourses have at one time or another grouped these nations together under various common denotations, including 'the New World', 'the Old Commonwealth', and 'the White Dominions'. They were major recipients of Britain's imperial diaspora (Cohen 1997), and though they now act independently as sovereign nation-states, these countries were formerly components of a single, multi-local imperial society. For well over a century, these territories comprised a massive, unitary 'action space' (Wolpert 1966) in the minds of millions of British Subjects. The superimposition of national boundaries over this space, and the gradual fortification of these boundaries in the postwar period, has transformed what was once invisible intra-empire population movement into transnational

mobility. Partly as a result of the 'enclosure' of imperial space into national territories, South Africa, Canada, Australia and New Zealand can all point to the existence of substantial national diasporas, spread throughout the territories Britain once dominated, and beyond.

The prospect of economic gain through the mobilization of these highly-skilled diasporas is becoming a powerful incentive for strategists in middle-income countries. Though diaspora engagement is conventionally conceived as a potential form of development aid to the global poor, it is increasingly seen as a more general 'position-taking' strategy (Bourdieu, cited in Robbins 2000: 29-32) that can be employed by any nation-state within global society. Just as the poorest nations can leverage the financial and cultural capital of their diasporas in order to achieve 'developed' middle-income status, 'developed' middle-income nations are exploring the possibilities of using the same strategy to compete for a place among still wealthier countries. Diaspora engagement is coming to be seen as a potential channel for entire nation-states to achieve upward social mobility.

Little scholarly reflection has taken place on the expedient use of this 'aid' strategy by middle-income 'developed' countries with their own diasporas. This paper provides an historical analysis of the brain drain debate in a middle-income nation-state of the former British Empire – New Zealand – tracing the emergence of an interest in diaspora engagement as strategy for national development.

### **New Zealand's Brain Drain Debate**

Until recently, New Zealand emigration research has been dominated by a local version of the brain drain debate. However, pundits on both sides of the debate have indicated the need for a more advanced discourse concerning the causes, dimensions and impacts of New Zealand emigration. What specific issues have

united and divided those involved in New Zealand's brain drain debate? What strengths and weaknesses have characterized the various positions, and what issues have been overlooked by the polemics? Has it been resolved, and if so, how? Who are the winners? Where does the diaspora option fit in? This paper attempts to provide answers to these questions.

New Zealand's brain drain debate reached a peak of intensity during the mid- to late-1990s, when divisions over structural upheavals during the 1980s and early 90s developed into chronic conflicts over the role of the state and the identity of the nation. For the sake of analytical clarity I divide New Zealand's brain drain discourse into two categories – brain drain pessimism and brain gain optimism – though in reality the situation has been rather more complex. Pessimistic perspectives have tended to paint emigration as both a cause and a symptom of social, economic and political problems, and insist that something should be done about it. Optimistic perspectives have generally held that developments in New Zealand's migration system are causes and symptoms of New Zealand's competitiveness in a globalizing world, which require no urgent corrective action by the state.

### **Brain Drain Pessimism**

Pessimistic perspectives on emigration surfaced organically and gained momentum during the 1990s as a wide range of concerns spilled over into the media. Brain drain pessimism has been characterized by qualitative treatment of the issues, articulated by geographically dispersed, non-coordinated individuals and groups with restricted access to New Zealand decision makers. Though it would be misleading to paint them as radicals, pessimists have favoured changes to the status quo and in this sense have been more revolutionary than optimists. Often successful expatriates themselves, pessimists have pointed to weaknesses in New

Zealand's legal and administrative structures about which research has not been done. Precisely because the research has not been done, their arguments have at times lacked clout. Pessimistic frustration has frequently arisen from inability to influence New Zealand decision makers, despite that fact that many pessimists wield influence outside New Zealand. A strong strand of pessimism over brain drain remains in New Zealand society, but seems to lack dedicated and organized representation in New Zealand institutions. Pessimistic concerns can be divided into at least four main areas: the economy, immigration, the education system and national identity.

### ***Brain Drain and the Economy***

Economic concerns over emigration began to develop at least as early as the mid-1980s, following a massive exodus in the latter half of the 1970s (Reserve Bank of New Zealand 1986). At least two main pessimistic concerns regarding the effect of a brain drain on the economy became salient during the 1990s. The first was a long-term concern expressed succinctly by Auguste Comte's aphorism, 'demography is destiny'. During the 20<sup>th</sup> century, New Zealand's population aged, and the prospect of sub-replacement fertility levels had crucial economic implications (see Bedford & Henan 1987). Economists have argued that population growth directly stimulates economic growth for at least two reasons. Firstly, recent economic growth has been driven more by expansion of labour input than by productivity gains, indicating a need to maintain steady growth of numbers in the workforce as a basis for economic growth (see Fallow 2002, 2004). Secondly, a base rate of expansion caused by population growth generates a confidence amongst risk-taking investors (see Morgan 2000). These fears of overall population loss through a combination of sub-replacement fertility and high emigration have fuelled economic fears about the brain drain.

The second strand of economic pessimism has concerned frustration with New Zealand's taxation system. Taxation pessimism has partly been a reaction to the upward trend in personal tax levels in New Zealand (see L.E.K Consulting 2001: 63), which some suggested was largely responsible for the exodus of a 'lost generation'. This theme was frequently taken up sensationally by prominent media such as *The Holmes Show* (Holmes 2000, cited in Bedford 2001b: 306) and *North & South* magazine (Legat 1999; Chamberlain 2004). However, pessimists were unable to agree on the significance of the higher income tax bracket. While many argued that the tax levels were discouraging savings and becoming crippling for middle-class families with children and mortgage repayments on top of student loans, others argued that 'working conditions, not taxes, keep [expatriates] away' (Wilson 1999, undated), and that student loans are a relatively minor factor in decisions to emigrate (Lidgard & Gilson 2002; Inkson et al. 2004). Lack of accord amongst the pessimists did little to strengthen their various positions.

Another component of taxation pessimism has held that a poorly designed tax system has been stifling innovation and driving brains abroad (see L.E.K Consulting 2001: 50-54). New Growth economic theory (see Romer 1993), which posits knowledge creation as the engine of economic growth, has amplified such criticisms. Pessimistic arguments have noted that only non-residents can avoid New Zealand's tax net, and indicated that this has discouraged local business start-ups. Entrepreneurs, they have argued, are being forced overseas to countries such as the USA and Ireland, where companies are not taxed on the international component of their earnings (see L.E.K Consulting 2001: 62). Pessimists have also argued that the tax implications of legal definitions for 'research' and 'development' activities are foolishly driving innovators abroad. Activities that are taxable in New Zealand as 'development' would be classed as tax deductible 'research' in other countries, which have become more attractive bases for New Zealand's top knowledge creators.

By the end of the 1990s, there was mixed optimism over the government's orientation towards innovation and enterprise. Some felt that the Bright Future scholarship and fellowship package was evidence of a positive change of heart (Dawson 1999), while others were nonplussed by such policy initiatives (e.g. Wilson et al. 2000). Such issues have remained a bone of contention.

### ***Brain Drain and Immigration***

During the early 1990s, as the brain exchange hypothesis was emerging, many began to see immigration as *the* means to counteract demographic and emigration trends, and revive sluggish growth figures (see Morgan 1996; Carran 1996). During the middle of the decade, in response to the long-term trend of decolonization, the global collapse of communism, and the dismantling of the 'white New Zealand' immigration policy, NZ experienced unprecedented inflows from Asian and other non-white source countries (Bedford 2001a: 9-10).

Populist electioneers such as Winston Peters helped stir up a backlash against high immigration. Sensationalist media coverage stirred up public fears over an 'Asian Invasion' in 1996, and 'flood of immigrants' in 2002, both of which stoked 'brain drain' anger around the turn of the millennium (Bedford, Lidgard & Ho 2003). Emigration rates of New Zealand citizens had been high throughout the postwar period, but concerns over high emigration rates built up during the mid-1990s, as immigration rates climbed to record rates. With the 'flood of immigrants' still fresh in the public's mind, permanent and long-term (PLT) emigration once again climbed within range of all-time highs at the end of the decade: 70,800 in the year ended March 2000 (Bedford 2001a: 10).

Resentment over immigration has been compounded by wider pessimism about the role of economic performance and government policies in 'driving away New



Zealand's winners' (Harris 2002). Even those who have at times sold immigration as the cure for New Zealand's demographic woes have on occasion also asked why New Zealand puts so much effort into recruiting skilled immigrants while apparently turning a blind eye to consistently high rates of skilled emigration (e.g. Morgan 2002). With migration flows as big as other demographic flows in and out of the New Zealand workforce (Department of Labour 2001: 5) , the key issue has been how migration policy can optimize skill levels, or human capital, in the New Zealand labour force.

### ***The Brain Drain and the Education System***

New Zealand's brain drain debate reached a climax when the drained brains themselves came out in full force at the first 'Catching the Knowledge Wave' conference in Auckland in August 2001, a government sponsored event aimed at addressing the issues raised by New Growth Theory economics. Many drained brains were Kiwi academics living abroad, who denounced New Zealand's woefully low level of research and development funding as the main factor pushing away New Zealand's top researchers and hindering the development of a knowledge society (see Wilson 1999; Wilson et al. 2000; L.E.K Consulting 2001). Others at home complained that structural reforms, including opening up the education "market" to private training establishments (PTEs), have been dumbing down academic standards at the same time as funding cuts have pumped up student fees and student loans have been driving graduate 'brains' abroad (School of Earth Sciences VUW Undated).

Optimists have countered the student loan issue fairly effectively, retorting that the government still funds around 75% of the costs of education (Adams 2001), and pointing to evidence that student debt is a cause in a relatively small proportion of departures (Lidgard & Gilson 2002: 119; Inkson et al 2004: 35). The

research and development issue, however, is less easily dispatched; divisions stem from more fundamental value differences and a difficulty in clearly defining the distinction between 'talent' and 'skills'. On one hand, many academics and researchers maintain that groundbreaking, world-class research is the foundation for a knowledge economy. Many say New Zealand needs "talent" – a quality defined as "natural ability and superior performance in some area of human endeavour" and indicated by level of income (L.E.K Consulting 2001: 14-15). A level playing field with per-student funding in the education 'market' nurtures PTEs and raises the number of paper degrees in circulation; a kind of academic inflation caused by neglect for real knowledge values. On the other hand, education policy-makers have been working towards a strategy to 'raise foundation skills so that all people can participate in the "Knowledge Society"' (*NZ Herald* 2002). Acute shortages of skilled florists, waiters, and mechanics in the labour force constitute just as serious an issue as do emigrating PhDs and CEOs; optimizing skill levels has as much to do with encouraging career choices that respond to labour market demands as it does to do with fostering superior talent. From some optimistic perspectives, then, elitism over education spending has been partly to blame for an overall underdevelopment of the nation's human capital. From many pessimistic perspectives, the opposite has been true: exceptional achievements have been undervalued. The government seems to want all New Zealand's poppies to grow equally tall.

### ***The Brain Drain and NZ Cultural Identity***

Nietzsche's concept of 'herd mentality', whereby the weak masses take revenge on strong individuals by suppressing their will-to-power, is often expressed in the term 'tall poppy syndrome' – tall poppies proverbially have their heads cut off. The tall poppy syndrome – what eminent NZ historian James Belich and judge Mick Brown have referred to as New Zealanders' 'extraordinary capacity to mock

ourselves' (Clarke 2001) – has been mentioned by many New Zealanders as a reason for leaving, or for staying away (see Wilson 2001; L.E.K Consulting 2001: 55). Early calls for greater recognition, celebration and ultimately retention of 'tall poppy' New Zealanders who 'box above their weight' tended to come from pessimists in New Zealand's brain drain debate – although the significance of 'celebrating talent' was soon recognized as crucial to dispelling brain drain doom and gloom (L.E.K Consulting 2001: 55-57; NZEdge Undated; Collins 2002).

Broader issues of social, cultural and national identity are also bound up with the formation of the diaspora, and the processes of social transformation this entails. Social science research paradigms and national institutions continue to frame key fields such as historical and geographical research, as well as population planning, according to national boundaries that exclude around 20% of the nation's population. Hugo et al (2003: 10) raise an important question: Can the sociology of a nation be expressed without reference to its diaspora? Such questions imply the need not only for new ways of conceiving migration systems, as called for by Bedford (2001b: 310), but also for new ways of conceiving and articulating basic social identities through research paradigms and public institutions. It has long been known that the nation-state is a mental construct as much as a geographical one; increasing global connections between sending states and their diasporas at once reaffirm the idea of the nation-state and undermine its territorial foundations. Such wider issues have largely been overlooked in brain drain debates.

### **Brain Gain Optimism**

If the pessimists were revolutionaries, then the optimists were reactionaries. Optimistic perspectives emerged as pockets of loosely organized resistance to brain drain pessimism. They were most effectively articulated by New Zealand

academic and policy researchers with an ear in the nation's corridors of power. Drawing on authoritative interpretations of established body of economic and migration theory, they emphasized macro-scale demographic understanding on the basis of top-down quantitative research. Their dominance seems to have had as much to do with institutionalized cultural capital as the merit of their arguments. Many of these have been well-matched to the traditional in-flow orientation of New Zealand's migration management system, and seem to have fed naturally and directly into the process of policy formation. Optimists initially took up positions based on three theoretical stances: *brain exchange*, *brain circulation*, and *beneficial brain drain*.

### ***Brain Exchange***

Pessimistic fears of aggregate population and human capital losses have been strongly countered by the brain exchange hypothesis, whose proponents conclude that young, inexperienced skilled emigrants are substituted by older incoming immigrants with similar or higher skill levels and more experience. This process, referred to as 'replacement migration' (Bedford 2001b: 52) supposedly results in relatively stable human capital levels, despite high levels of both emigration and immigration (Glass & Choy 2001; Bushnell & Choy 2001). The notion of replacement migration informs wider international moves to counteract brain drain by actively recruiting 'replacement skills' (e.g. Crush 2004).

The brain exchange model displays a number of quantitative and qualitative problems. Firstly, as leading proponents themselves acknowledge, it is based largely on unreliable information regarding the skills of migrants to and from New Zealand: the question in departure and arrival cards that asks for travellers' occupations. Consistent data collection has only taken place since 1992, and no data whatsoever on the occupations of over half of all migrants exists (Glass & Choy 2001: 27). Though Glass and Choy acknowledge 'it might be possible to

track the skills of some groups...through their other interactions with the Immigration Service' (Glass & Choy 2001: 27), this type of research does not seem to have been done. As a result, data shortcomings seriously undermine the validity of any conclusions that can be drawn about migrant skill levels.

Secondly, putting data concerns aside, the implication that one-to-one replacement is taking place plays down the transaction costs incurred by the gap between immigrants' skill levels and their labour market performance. An overall rate of 35% unemployment amongst immigrants in the first year of residence has been noted, with significantly higher rates among some ethnic groups (59% amongst South Asians) (Bushnell & Choy 2001: 11). Brain exchange adherents imply that problems with integrating immigrants into the labour force could be alleviated if policymakers 'made better use' of immigrants (e.g. Ho 2003), or focused more sharply on 'how to assist immigrants to integrate into the labour market' (Glass & Choy 2001: 53). Whether or not this is true, the fact of transaction costs remains. Many immigrants remain un- or under-employed for many years after arrival, and a large proportion never achieve a level of local participation concomitant with their nominal skill level (see Winkelmann & Winkelmann 1998, cited in Department of Labour 2001: 8), while younger New Zealand emigrants are generally well equipped with the social capital necessary to integrate and adapt in the New Zealand labour market.

This connects to a third rebuttal to brain exchange: that emigration represents a loss on investment in human capital over the course of a citizen's lifetime, through welfare, education and health subsidization (see Kaplan et al. 1999: 4) – all of which were subsidized at internationally high levels in New Zealand until at least the mid-1980s. A demographic cost of exporting young New Zealanders and importing older migrants is to accelerate the population ageing (Glass & Choy

2001: 12), the effects of which boosted immigration is intended to offset in the first place.

The brain exchange and replacement migration models seem to have helped decision-makers under fire to deflect important emigration-related issues, and re-channel research and policy efforts towards immigration and the management of in-flows (for example see Lidgard & Gilson 2002; Bryant & Law 2004; Bryant et al. 2004; Inkson et al. 2004). New Zealand's research and policy apparatuses remain well-equipped to handle inflows: they reached maturity in an era when the country's 'classic immigration country' label was arguably more applicable. However, they are ill-equipped to deal with a more complex situation. New Zealand's migration system is now animated by all the major dynamics focused on by migration studies: it is a receiving state that accepts asylum seekers at the same time as screening other immigrants for desirable skills; a springboard for onward migration to Australia and Canada; and a sending state with one of the world's largest per capita diasporas. The short-term effect of the replacement migration hypothesis has been to allow many 'babies' (reasonable concerns over emigration) to be tossed out with 'bathwater' (brain-drain scaremongering). This has arguably slowed down the paradigm shifts needed in research and policy institutions in order to cope with migration-driven social transformation.

### ***Brain Circulation***

Brain circulation was first used to explain the impact of mobility among foreign students after completing postgraduate qualifications in the USA (Johnson & Regets 1998), but the concept relates to a wider discourse on migration, occupational achievement and human capital. Skilled individuals circulate through a network of destinations including the home country. Temporary locations become 'escalator regions' (Fielding 1992), allowing circulators to 'spiral' (Watson 1964) upwards socio-economically. Circulators facilitate knowledge transfer to

receiving locations, including the homeland (Saxenian 2002; Domingues Dos Santos & Postel-Vinay 2003, cited in Docquier & Rapoport 2004: 20). Belief in the benefits of brain circulation is a key principle underlying the government's current strategic campaign to 'woo back' expatriates.

Brain circulation supporters have tended to celebrate the achievements of expatriate New Zealanders, and to assert the reality of return migration (Lidgard 2001; Collins 2001, 2002, 2003). Some hold that return migration, shuttle migration and circulatory movement are all significant in New Zealand's migration system, and cite literature indicating this has had positive impacts in overseas contexts. Lidgard, for example, insists that sources from the 1970s, including (strangely enough) John Denver's hit song *Take Me Home Country Roads*, show 'beyond doubt that the commitment to return to their country of birth is very strong among high level personnel working or studying abroad' (Lidgard 2001: 321; also see Lidgard & Gilson 2002: 100).

In the New Zealand context, there are a number of weaknesses in the brain circulation literature. Firstly, circulatory behaviour has not always been convincingly identified. For example, Lidgard and Gilson's methodology of surveying and interviewing returnees cannot logically support the conclusion that New Zealanders maintain a significant commitment to return. To test the hypothesis that 'New Zealanders return' one would need also to sample *all* New Zealanders, including expatriates, not just returnees. Brain circulation supporters have frequently confused migrant intentions with migrant behaviour, implying that rates of 'intention' or 'commitment' to return are an indication of actual return rates (see Lidgard 2001; Lidgard & Gilson 2002; Inkson et al 2004). However, leading migration scholars have frequently referred to the "myth of return", consistently highlighting the failure of intended return migration to materialize in a high proportion of cases (e.g. Castles & Miller 1998, chap. 2). Some New Zealand

research specifically highlights the tendency for expatriates to stay away longer than originally intended (L.E.K Consulting 2001: 81). One eminent scholar of transnationalism recently asked colleagues the rhetorical question, 'How many migrants have you met who *don't* claim they fully intend to return?' (Levitt 2004).

Nor can Lidgard and Gilson definitively point to any of the 'Shuttle and Circular Migrants' they optimistically allude to in their subtitle; their data are essentially cross-sectional, and cannot effectively trace individual mobility patterns. Longitudinal studies of transnational New Zealanders are needed to establish patterns of mobility and residence, as well as economic and other active links to New Zealand. Despite widespread international interest in migration history and biographical approaches to migration, studies tracking individual New Zealand itineraries do not seem to have been carried out to date.

Secondly, circulatory or return behaviour has not always been explained satisfactorily. Bedford, Lidgard & Ho (2003: 30) explain the notable rise in return migration rates in the year ended 31 December 2002 as 'due in large part to the America's Cup' – a yacht race hosted by New Zealand between October 2002 and February 2003. Merely mentioning the expression '9/11' is enough to evoke the massive global upheavals that almost certainly affected the travel plans of New Zealanders during this period; New Zealand's own national airline was one of the many around the world that faced bankruptcy in this period. These upheavals are not mentioned in the article in question.

Thirdly, return *per se* cannot automatically be considered a positive thing. Meyer et al (1997: 4) hints at the difficulties involved with thinking in terms of "permanent and costly reinstallation" of expatriated human capital. Other writers note that some return moves are motivated by disappointment with the economic and career outcomes of migration. Even when migrants are occupationally



successful, there is no guarantee that benefits to the individual returnee will spillover to the home society. High rates of unemployment amongst returnees point to unacknowledged transaction costs involved with reintegration, which, as Hugo et al. (2003) point out, require further attention. Lidgard and Gilson (2002: 115) find grounds for optimism in a 30% unemployment rate among returnees four months after return where perhaps few others would. Moreover, returns in other contexts are frequently motivated by non-economic factors such as childrearing and care for the elderly (Bailey & Cooke 1998, cited in Van Ham & Mulder 2004). Such returns might be called 'breather periods,' in which the migrant takes advantage of access to free public assistance with childrearing, healthcare, or retirement in their home country, either in preparation for resuming work overseas or at the end of a successful career in another country.

Lastly, it is not straightforward to enact policies encouraging expatriates to return, despite the New Zealand government's explicit adoption of this strategy in the Prime Minister's February 2005 State of the Nation speech. Policy makers have for some time been arguing that '[u]ltimately, New Zealand should focus on increasing its attractiveness (for attracting highly-skilled immigrants and return migrants, and retaining existing residents) by improving the economic position of New Zealand relative to competitor countries' (Glass & Choy 2001: 51). Meyer et al (1997: 2) notes that policies aimed at retaining or 'conserving' skilled people have been limited both in terms of scope and success, "since they intended to stop or reverse the outflows without addressing the very causes of the problem, i.e. the absence of a [science and technology] base that would absorb this manpower." Because it leaves the government in a Catch 22, where attracting skilled immigrants is a means of achieving economic growth, and economic growth is the means of attracting skilled immigrants, the 'recovery' strategy might necessarily remain limited to a marketing plan highlighting New Zealand's 'desirable characteristics' (Glass & Choy 2001: 51). Media commentators have

pointed out that nothing short of a substantial cash payment could induce many expatriates to give up significantly higher wages they receive abroad (Thomas 2005). It may or may not be true that expatriates should be updated about recent positive developments in New Zealand society (as has been suggested). However, it seems more certain that New Zealand society would benefit from updates about its diaspora. A recent media contribution to the growing debate over the current migration management strategy suggested that "[w]e might be better off spending money on sending our politicians overseas for their late OEs [overseas experiences]. That way they might understand what it means for a Kiwi to experience the world (Stevenson 2005)." Comments such as this highlight a growing awareness of the public need for further research into the diaspora.

A central hypothesis of this paper is that replacement, recovery and conservation strategies are 'migration management as usual' – the outcomes of paradigmatic closure in New Zealand's migration research and management apparatus. Return flows are basically similar to immigration flows, and they fit comfortably within the terms of reference of existing research paradigms, institutional arrangements and overall conceptual frameworks of migration management in New Zealand. Migration studies has long focused on issues relating to immigration and receiving states to the neglect of issues relating to out-flows and sending contexts (see Xiang 2003: 21), and New Zealand is still widely conceived of as one of the 'classical countries of immigration' (Castles & Miller 1998: 5). However, on the whole, it seems that existing return migration research neither validates nor invalidates the hypotheses that brain circulation a) is occurring in New Zealand, b) is benefiting New Zealand, and c) can be easily encouraged by the New Zealand government. The empirical evidence needed to make the necessary judgement calls is conspicuously absent. Hugo has noted that 'pressure for expanded immigration comes from within immigration bureaucracy to ensure its own continued expansion' (Hugo 1986, cited in Boyle et al 1998: 165). This

observation may be relevant to the state of migration management strategy in New Zealand.

### ***Beneficial Brain Drain***

Unlike brain circulation, beneficial brain drain (BBD) hypotheses are posited on endogenous human capital growth alone – they do not rely on returnees facilitating knowledge transfers. BBD hypotheses divide the brain drain model into 1) a predictable endogenous ‘brain effect’, caused by increasing enrollments in education motivated by the prospect of higher wages overseas, and 2) an observed ‘drain effect’ where actual departures deplete human capital levels in the sending country. A BBD is theoretically possible when the brain effect outweighs the drain effect (Beine et al. 2001; Stark et al. 1997).

BBD theories have bolstered optimism amongst policy makers in New Zealand’s brain drain debate. Glass & Choy (2001: 52) quote verbatim (without referencing) from Stark et al. (1997: 227), to support the reasoning that although New Zealand is not experiencing a brain drain, even if it were, ‘a brain drain is not unambiguously a bad thing’ (Glass & Choy 2001: 13). However, this line of argument seems to overlook a number of conceptual and empirical problems.

Firstly, when return migrants carry the news of their failure back to the source country, it is logical that the incentive structure for migration should be affected, possibly depressing educational enrollments (i.e. people may decide it is not worth investing in education when they hear from unsuccessful returnees that job opportunities overseas aren’t guaranteed). Secondly, Stark et al. imply that return migration benefits the home country through an overall rise in the level of human capital, even when it occurs as a result of negative selection (Stark et al. 1997: 228). However, it is dubious to assume that returning migrants offset the drain effect when returnees are ‘weeded out’ of expatriate communities as host country

employers judge their productivity less impressive than their qualifications. Newbold (1996, cited in Van Ham & Mulder 2004) has shown that returnees tend to experience lower wage levels than onward migrants; a conclusion that would support the hypothesis that returnees are negatively selected. An overall growth in human capital (as measured by the number of people with qualifications of a certain level) may not offset losses of 'the best of the best' (Hugo et al. 2003: 67-69), and may disguise worsening skilled to unskilled labour ratios in specific industrial sectors (see Docquier & Rapoport 2004: 34-35).

But the real problem with the BBD argument in New Zealand's context is that empirically observed departures are so high that the 'drain effect' almost certainly outweighs the endogenous 'brain effect'. The BBD hypothesis refers to the positive effects of endogenous human capital growth only; it is basically invalidated if replacement migration (exogenous human capital) is needed to offset population and human capital loss – as is undoubtedly the case in New Zealand. Though it has helped to cast a smokescreen in front of brain drain pessimism, thus fending off those who would attack the New Zealand government's response to emigration, BBD optimism has inherent weaknesses as a hypothetical construct, and very little relevance at all as an *ex post facto* model of New Zealand's migration system.

### ***The Diaspora Option***

'Brain gain optimism' comprises both assaults on the brain drain model, as well as remedial policy options for counteracting an observed brain drain. Meyer et al. (1997: 2-3) discuss two types of remedial policy option: the *return option*, and the *diaspora option*. Taking the return option involves attempting to recover qualified emigrants through return migration. Alongside the search for 'replacement' skills and efforts to 'conserve' skills by discouraging emigration, the return option is clearly a central platform in the migration management strategy currently being pursued by the New Zealand government – despite the problems with this

threefold strategy outlined above (see the section on brain circulation). By contrast with the return option, taking the diaspora option is premised on the belief that expatriates can potentially contribute to homeland development by staying away. This represents a fundamental shift in perspective on migration and human capital. It was previously assumed that those inside fixed geographical boundaries contributed their human capital to the nation, while those living overseas did not. The diaspora option undermines this basic premise.

Meyer et al (1997: 4) advises that “[t]here cannot be such a thing as a model of what the diaspora option is or should be”. Lowell et al (2004) questions this assumption, noting that “there is too little systematic empirical measurement” of the effectiveness of the diaspora option”, and hence that “broadly applicable best practices are not established” (Lowell et al 2004: 22), but nevertheless suggesting a bipartite model. According to them, there are two main channels via which expatriates can contribute to their homelands: 1) remittances and investment, and 2) knowledge and skills transfer (Lowell et al 2004: 22-25). It is now common knowledge that remittance flows alone often outweigh foreign direct investment (FDI) and foreign aid to ‘developing’ countries (see Maimbo 2004). The challenge for countries hoping to leverage remittances and investment flows lies not only in maximizing expatriate remittances and investments, but also in channelling them towards national development projects (see Hugo 2003). Many governments have facilitated remittances and investments in the homeland by offering investment options to expatriates, such as remittance backed bonds, foreign currency accounts, investment tax breaks, exemption from import tariffs on capital goods, duty-free shopping bonuses and even free passport issuance.

The possibility of expatriate knowledge transfers is based on two premises: a) the New Growth Theory notion that knowledge creation is the engine of economic growth (see Romer 1993), and b) a non-geographical model of industrial

clustering. If industrial clusters rely on geographical and institutional proximity (see Porter 1990), then drained brains cannot remain overseas and still contribute to the development of national knowledge economies. However, various writers have asserted alternatives to the geographical cluster model, suggesting the viability of 'value clusters, value webs and value networks' (Allee 2000) or 'virtual clusters' (Oram, cited in ECAT 2002). Shared enculturation, rather than geographical and institutional proximity, may bind knowledge communities. Skilled expatriates are not lost to the network; they can potentially extend its coverage and resource base (Meyer & Brown 1999b). National territorial boundaries no longer delineate the extent of the nation's human capital. The challenge for sending countries consists of creating dense, multiple interconnections among the homeland and the various sites of the national diaspora, for example using information and communication technologies (ICTs) (e.g. Turner et al. Undated).

The emergence of homeland strategies to leverage networks of skilled expatriates seems to have first been noted by Meyer et al. (1997) in a groundbreaking case study of the Caldas network of Columbian scientists carried out by French and Latin American researchers during the mid-1990s. Combining with other economic-development research projects centered on Africa (e.g. MOST Ethno-net 2002, IOM cited in Irin 2001), the recognition of Colombian diaspora networking strategies catalyzed a sudden increase of interest in the potential of diaspora knowledge networks (DKNs) as instruments for fostering knowledge economies in 'developing' countries, and thus increasing wealth transfer from the Northern Hemisphere to the South. (Meyer et al 1997; Lowell et al. 2004; Disapora Knowledge Network Project 2004; Van Hear et al. 2004, Asian Development Bank 2004).

During the late 1990s, interest in expatriate remittances and investments combined with interest in DKNs, catalyzing an explosion of literature on the diaspora option. The period in which the diaspora option became widely recognized as an aid strategy was the same period in which some 'developed' nations became interested in it for their own purposes. Those who stood to gain the most were relatively (but not always highly) 'developed' middle-income nations with high emigration rates. It seems that South Africa, a middle-income country with uneven development problems and high emigration rates, was the first to cotton on to the diaspora option. This may have been due in part to a combination of two factors: a geographical clustering of existing development efforts in the region; and a recognition that the diaspora option could contribute positively to South Africa's ongoing brain drain debate. Meyer, the lead author of the original Colombian case study that coined the term 'diaspora option', was invited professor at the University of Capetown's Development Policy Research Unit during the late 1990s, during which time he disseminated his ideas at international conferences (Meyer & Brown 1999a; Meyer & Brown 1999b), and played a leading role in the establishment of SANSA, a government sponsored attempt to engineer a South African scientific diaspora network. Interest in the diaspora option quickly seeped into policy research and debates in other countries of the former British Empire, notably Australia (Hugo et al. 2003; Fullilove & Flutter 2004) and New Zealand (Glass & Choy 2001; L.E.K Consulting 2001).

As an interest in these two aspects of the diaspora option (knowledge transfers and remittance and investment activity) progresses, decision makers are beginning to implement a third key component of diaspora policy, which I choose to call *diaspora integration*. Vertovec (1999) discusses a wide range of key principles relating to, and frameworks for promoting, integration of immigrants within receiving states. Interestingly enough, similar principles and frameworks

seem to be involved with emerging attempts to promote integration between emigrants and their home societies. For example, in Australia, policy discussions are beginning to emphasize ways of increasing expatriates' recognition by, and effective participation in, the home society – partly through modifications to the basic principles of citizenship (see Senate Legal and Constitutional References Committee 2005). Where once the diaspora was conceived essentially as an untapped national *resource*, ripe for exploitation, there is increasing acknowledgment that diaspora communities are also marginalized *constituencies*. Associated with globalization have been a number of developments in the way belonging is conceptualized; many of these – such as the proliferation of sub- and supra-national units of organization, and an increasing focus on networks and flows – have represented challenges to national belonging (e.g. see Rogers 1999; Castles 2000b: 133-207). The deliberate expansion of national polities beyond the territorial limits of their respective states represents an interesting counterpoint to such developments - being a reassertion and an expansion of the concept of the nation-state.

My analysis builds this third component (diaspora integration) onto Lowell et al's (2004) bipartite model. To indicate the difference between Lowell et al's model and my own, I refer to *diaspora engagement* rather than "the diaspora option". I refer to *diaspora networking* rather than "knowledge and skills transfer" (acknowledging that the latter is the primary, but not the only, intended outcome of the former). I refer to the drive to maximize and channel expatriate remittances and investments simply as *remittance capture*.

In New Zealand, interest in diaspora engagement has surfaced as a possible 'middle way' between previous brain drain stances. Within the first few years of the new millennium, optimism centering on 'replacement migration', 'brain exchange', 'brain circulation' 'return migration' and 'beneficial brain drain' had won



the attention of decision makers in government and the private sector. Brain drain pessimism had largely fallen out of vogue. However, the deflection of the debate into further in-flow management policies left a large question mark hanging over the issue of emigration – especially when arrivals started sagging around 2004 at the same time as economists were predicting a leveling off in growth. A strong pessimistic current continued to surface regularly in media and public discourse (e.g. Thomas 2005; Chamberlain 2004). Optimists appeared to have won, but the real outcome seems to have been a tense impasse based on a serious lack of information about New Zealand's expatriate populations. Diaspora engagement has begun to represent a possible way out of this impasse.

However, though interest in the New Zealand diaspora (proportionally one of the world's largest) is very high, but it would be misleading to suggest that New Zealand has developed a coherent diaspora engagement strategy that is either internally consistent and robust, or consistent with the tripartite model outlined above. Firstly, there seems to have been no detailed or decisive statement of intent to engage expatriates in situ. On one hand some elements of policy debate have persistently suggested that exploiting the diaspora as a national resource is unrealistic, concluding that 'taking advantage of the diaspora seems like a good idea, but hard to put into practice' (Glass & Choy 2001: 49). It has been pointed out that 'concrete suggestions are not available to date' (Glass & Choy 2001: 53), and that 'the potential contribution of New Zealand's diaspora may have been overestimated' (Bryant & Law 2004: i) – an odd conclusion given the dearth of knowledge about the diaspora at that time the comment was made. On the other hand, the government has endorsed many of the recommendations regarding diaspora networking in the L.E.K Report (L.E.K Consulting 2001), and when Australia looked poised to begin mobilizing its own diaspora (Fullilove & Flutter 2004) New Zealand's prime minister sent a Christmas card to members of the Kiwi Expatriate Association (KEA) encouraging successful New Zealanders overseas to

“continue [their] involvement in KEA, and to use KEA as a primary tool in deepening [their] links with New Zealand”, because their “networks and contacts...are a great potential resource for our country” (Clark 2004). Soon afterwards, the government seemed to change tack again, announcing its intention to pursue the return option by attempting to attract back expatriates. It seems unavoidable that the first step following any clarification of intent to engage with expatriates would be to establish a wider research-based discourse on the diaspora, leading to the development of best practices for engagement.

Secondly, deliberate diaspora engagement initiatives in New Zealand have largely been restricted to diaspora networking. Diverse homeland-oriented networks, groups, associations and organizations seem to proliferate wherever New Zealand expatriates live in substantial numbers, but such associations have thus far escaped the attention of researchers and policy-makers. Deliberate diaspora networking initiatives, spearheaded by government and business sectors, seem to have emerged during the mid- to late 1990s from a combination of international interest in New Growth perspectives, and local private-sector initiatives. Networking of this kind started receiving serious attention around the turn of the millennium, and came to the fore around the Knowledge Wave Conference in 2001 (Department of Labour 2001; Glass & Choy 2001; Bushnell & Choy 2001; Bedford 2001b; Belich 2001; L.E.K Consulting 2001: 78-88). A number of new (primarily commercial) networking initiatives and organizations – such as ANZA (Australia, New Zealand, America) Technology Network, KEA (Kiwi Expatriate Organization), GNOK (Global Network of Kiwis), NZ Connection, NZEdge, and the Trade and Enterprise New Zealand World Class New Zealand Programme – sprang up around this time, focusing mainly on networks of expatriate New Zealanders. These networks have met with varying levels of success, and many of them are still developing both structurally and in terms of basic aims and functions. Scientific networks have captured the bulk of interest from scholars interested in diaspora

engagement strategies internationally. However, commercial networks and 'branded' partnerships seem to have gained more attention in the New Zealand case.

Meyer et al (1997: 4) notes three basic characteristics of the Caldas network of Columbian scientists: 1) worldwide permanent communication, allowing the diaspora and the resident national academic community to share a common source of information and a space where they can develop direct and consistent exchanges; 2) autonomous peers organization, where diaspora groups do not depend on the institutions of either the home or host country for existence; and 3) orientation towards joint projects and realizations. Caldas is based on a group email list that acts as a forum for direct exchanges between members, irrespective of location.

New Zealand's deliberate diaspora networking initiatives tend to contrast with these principles. One of the most developed examples utilizes what might be called an MNC (multi-national corporation) or transnational NGO (non-governmental organization) structure. The organization consists of 'chapters' in various key geographical areas, each acting rather like branch offices of a single, multi-national corporate identity. Head office in the homeland maintains an online database of members, which overlaps with the participants of each geographical chapter (i.e. some local participants have not registered in the database, and some people in the database are not active in any local chapter). At the time of writing, individual members could not ordinarily search the database for the purpose of direct communication, but two kinds of broadcast-type emails are issued to them: 1) mailouts from head office to the entire database, often containing information about conditions in the homeland, and 2) mailouts from a specific geographical chapter to those who have signed up to that chapter, often containing notices about upcoming events – typically commercially focused

seminars given by successful entrepreneurs or homeland politicians. Emails contain contact details for coordinators or key people. Exchanges tend to be face-to-face within each chapter, involving expatriates based in that geographical area, while transnational linkages between chapters seem mostly to be routed through head office, upon which each chapter depends to some extent for its existence. Another of the more developed examples of diaspora networking consists of a website with a wide variety of articles written both by the directors and by contributors, with a particular focus on the recreating New Zealand identity and the national 'brand' to incorporate its overseas populations. There are pages profiling New Zealanders who have become famous figures in world history, news updates about global events involving New Zealanders (also summarized in an email bulletin), chat rooms, email postings, discussion forums and an online shopping page.

In comparison with diaspora networking, remittance capture and diaspora integration seem to have been given lower priority among policy recommendations directly relating to the New Zealand diaspora (e.g. L.E.K Consulting 2001: 83). It is not entirely clear – to expatriates at least – how the government's wider foreign direct investment strategy (see Boston Consulting Group 2001) translates into concrete initiatives targeted directly at studying, maximizing and channeling expatriate remittances and investments. Though "finding ways to more formally include the expatriate community in the life of the country" (L.E.K Consulting 2001: 80) has been identified as a possible long-term consideration, it appears that relatively little momentum has built up in this area. The diaspora seems to be conceived primarily as a national resource, rather than a national constituency. By contrast, the Australian debate seems to be evolving a balance between these two perspectives. In order to implement the tripartite model of diaspora engagement outlined in this paper, it seems that New Zealand would need to diversify and deepen its diaspora networking initiatives, directly target expatriate remittances

and investments, and give greater attention to the formal role of the diaspora in the life of the nation.

Thirdly, diaspora engagement initiatives seem to be coordinated broadly as tactics within the current government's economic strategy, rather than directly as components of a permanent migration management infrastructure. Concern for the importance of migration management is strongly evident in overall strategy covering innovation, economic transformation and growth (L.E.K Consulting 2001; SIAC 2002). However, within the wider framework of this economic strategy, I suggest that there is room for review of existing migration management initiatives (particularly 'replacement and recovery') and development of supplements and alternatives. At the same time, I suggest greater attention could be paid to assessing how long-term transformations in New Zealand's migration system should translate into institutional arrangements within the national migration management framework. As migration management is an element of basic social infrastructure, some of these transformations may need to be viewed somewhat independently of current economic strategy. In March 2005 the New Zealand Department of Labour announced a broad review of the 1987 Immigration Act. It seems possible that the aim of coordinating inflow, outflow and diaspora policy mechanisms could be incorporated within the terms of reference of such a review.

Managing all New Zealand's population flows currently does not seem to fall clearly under the jurisdiction of any single, permanent agency. Control over inflows is conceived as the only explicit policy option for controlling the labour market effects of migration (Department of Labour 2001: 11-14); migration management is basically synonymous with immigration management. By contrast, Australia seems to be moving towards the establishment of a distinct "emigration policy" (Hugo et al. 2003: 55). As a step towards this end, recent reports have recommended the establishment of a dedicated unit for coordinating diaspora policies within the

Department of Foreign Affairs and Trade (Fullilove & Flutter 2004; Senate Legal and Constitutional References Committee 2005). It may be worth considering the possibility of re-conceiving emigration and diaspora policies in New Zealand as components of a distinct, integrated migration management framework – one that addresses all the various dynamics animating the country's migration system. Initially this would involve bolstering the contribution of migration studies to strategic planning, particularly that which relates to emigration and the diaspora. In the medium term this might lead to focusing on the capacities of agencies such as the Immigration Service (NZIS) and the Ministry of Foreign Affairs and Trade (MFAT) to evolve integrated long-term migration management arrangements, and more detailed consideration of consultative and representative arrangements for diaspora populations. In the long term it might result in the development of an institutionally discrete migration management apparatus.

However, because very little is known about the diaspora, little more than speculation can be made regarding the strengths, weaknesses, opportunities and threats presented by these and other ideas. This inevitably presents obstacles to policy making, as well as wider social science research. In November 2001, in the wake of the first Knowledge Wave Conference, the influential L.E.K Report noted that “[c]urrently, it is extremely difficult to know what networks [of expatriate New Zealanders] exist, [and] how to make contact with them, let alone work with the networks on mutually beneficial initiatives (L.E.K Consulting 2001). More than three years later, published research into the New Zealand diaspora remains confined to a smattering of promising but tangential references (e.g. Bedford 2001b: 309-310; Bedford, Ho & Hugo 2003: 61) and cursory, non-representative surveys into the economic potential of expatriates (e.g. Wilson 2001; Inkson et al. 2004). New Zealand's research literature, migration management system, and population planning framework remains geared towards in-flows. On the basis of current research, it must be concluded that around one-fifth of the national

population has more or less dropped of the national radar – a situation that has broad, deep and unfathomed social and economic implications.

A wider and more significant commitment to further research into the New Zealand diaspora seems an inevitable necessity. At present, top-down, large-survey-based diaspora research does not appear balanced by bottom-up participatory social transformation research (see Castles 2000a), which would be needed in order to define the goals and parameters of diaspora engagement in cooperation with stakeholders. Until such a process takes place, there is little solid foundation for effective diaspora policies – nor for migration management policies more generally, it might be argued. It seems that the terms of reference regarding the New Zealand diaspora and its relationship to the homeland are yet to be established, and further social transformation research can help to alleviate this problem.

In an age of increasing transnational mobility, it is possible that integrated migration management frameworks might make a useful contribution to economic and social planning in nation-states with complex migration systems. The hesitance with which these strategies are evolving in middle-income nation-states of the former British Empire – despite intense interest in diaspora engagement – reflects a wider lack of established best practices for implementing the diaspora option. This highlights a need not only for much more detailed empirical research, but for greater attention to *how* diasporas should be conceived and researched, particularly for the purposes of strategic engagement. Clearer conceptualization on the basis of more extensive research in this area would not only be constructive for aid agencies in formulating ‘co-development’ strategies to benefit ‘developed’ receiving states and ‘developing’ sending contexts. It would also be useful for ‘developed’ middle-income countries – like New Zealand – that are remodelling

their migration research and management tools to cope with increasingly complex migration systems.

## **Conclusion**

This paper suggests that diaspora engagement, as a strategy for envisioning and managing the relationship between expatriates and their homeland, can be divided into three main components: diaspora networking, remittance capture and diaspora integration. Diaspora networking can take various forms, including the promotion of commercial networks, 'branded' partnerships and scientific networks – though the latter seem to have been focused on in much research to date. Remittance capture consists of maximizing expatriate remittances and investments and channelling them towards national development goals. The term diaspora integration refers to the promotion of social cohesion between the homeland and the diaspora.

Diaspora engagement in middle-income nations seems to have snuck up and caught scholarship unawares. The wider lack of scholarly attention to such strategies in former British territories like New Zealand, Australia, Canada and South Africa partly reflects a lack of inquiry, identified by Conradson and Latham (2005), into 'middling' transnationalism. Entrenched disciplinary perspectives are often occupied with dialectic between hegemonic urban centers and exotic, peripheral hinterlands of the global system, neglecting what falls between. States that occupy what might be thought of as the 'middle-class suburbs' of the global system tend to be overlooked in this oppositional discourse – in a sense, processes of moving the peripheries to the center of academic discourses have shifted the middle to the peripheries. Partly as a result, many important issues have been overlooked by researchers and policy makers. This paper has introduced one such



example: the transformation of what is commonly seen as an altruistic aid strategy, into a strategy of economic expedience on the part of 'developed' middle-income nations. This transformation raises a number of issues, and calls for greater attention not only to empirical research into expatriate populations, but also to underlying conceptions about how national diasporas should be conceived and researched, particularly for the purposes of strategic engagement. Such research will not only be useful for development agencies in their search for strategies to aid the global poor, but also for national strategists, population planners, and migration managers in 'developed' middle-income countries. New Zealand may be one country in which such research can make a positive impact on policy.

Until recently in New Zealand, discussion of emigration and expatriate populations has been dominated by a local version of the brain drain debate. This debate has begun to die down in the early years of the new millennium, settling at first into an uneasy impasse in which the optimists have looked dominant. The ad hoc emergence during the 1990s of pessimists advocating new and diverse analyses and recipes for change seems to have been less effective at capturing the attention of decision makers than the organized response of specialist optimists wielding established theories. This appears to have been as much to do with optimists' proximity to decision makers and their engagement with an established, authoritative body of theory as it has been to do with the merit of their arguments, which have been empirically, theoretically and methodologically flawed some cases. Pessimists – many of them expatriates – have failed to effectively cohere. Much of their visibility has come through sensationalist media coverage or populist politicking. Otherwise, they have remained, to a certain extent, out of sight and out of mind in the day to day machinations of policy and research.

To employ a useful hyperbole, the pessimists have been the revolutionaries and the optimists have been the reactionaries in New Zealand's brain drain debate. The pessimists have focused on high emigration rates as a cause and symptom of poor economic performance, upheaval in the education system, mismanagement of immigration policy, and New Zealand's repressive 'tall poppy syndrome'. The optimists have countered with a barrage of theoretical arguments. Some have claimed immigration has been effectively counterbalancing emigration (brain exchange). Others have hopefully declared that emigration is temporary and that New Zealand clearly benefits from any to-ing and fro-ing (brain circulation). Still others have taken solace in the hypothesis that departing brains actually stimulate a more vigorous growth of brains at home (beneficial brain drain). On both sides of the debate, strong points have tended to be cancelled out by weak ones, and discussion has for some time now been deflected towards a 'replacement and recovery' migration research and management strategy.

This strategy seems in part an attempt to 'make do' with existing infrastructures, which are designed to manage population in-flows. New Zealand is still conceived as a 'traditional immigration country'; at present migration management basically remains synonymous with immigration management. This conception is entrenched in national institutions and research paradigms, despite that New Zealand's migration system now comprises all the major dynamics studied by migration scholars. Despite their international popularity as migration management tools, the championing of 'replacement migration' and 'return migration' seem to have helped maintain a one-sided orientation towards in-flows in New Zealand's migration research and management paradigm. A more direct and coordinated approach to studying and managing the diverse mobility patterns of national populations may be desirable. Diaspora engagement may be a useful starting point for developing such an approach.

Until recently the New Zealand diaspora was treated as something of a white elephant: a grand idea, but hard to put to use. However, the idea that emigration and the formation of a national diaspora might actually contribute to national development has begun to offer a constructive way out of impasse into which the brain drain debate has slipped. Nevertheless, diaspora engagement at times seems less extensive, explicit and directly coordinated in New Zealand than in other areas of the former British Empire, particularly Australia. New Zealand's emerging diaspora policies are integrated within current economic strategy, rather than within permanent migration management infrastructure. Mixed messages have occasionally emerged regarding migration management aspects of economic strategy. While commercial networking seems to have gained some momentum, less ground seems to have been gained in scientific networking, remittance capture and diaspora integration.

This situation is by no means surprising given the dearth of research into emigration and New Zealand's expatriate populations. Lack of research into emigration and the diaspora now constitutes a serious blind-spot for migration managers, population planners and decision makers in general. Social transformation research into the New Zealand diaspora is a promising, overlooked avenue for future research efforts.

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