

The missing link is an expat web

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Page 26

What do a celebration, the repeal of section 17 of the Australian Citizenship Act 1948 and 5% of Australians have in common? The link is the passage of a law allowing multiple citizenship. Now Australians will not automatically lose their citizenship if they become citizens of another country. The repeal got little media coverage but it was an important victory for the Southern Cross Group.

As the lobby organisation representing Australia's growing expatriate community worldwide, it will throw a party on April 23 in London, to mark the occasion.

This is important for innovation and Australia's place in the information economy because it is another reminder that the labor market for knowledge workers, as a distinct and expanding segment of the workforce, has internationalised. In our national accounts, we should be paying as much attention to people flows - the balance of trade in people - as we do to capital flows and trade in goods and services.

Human capital is the key resource for creating wealth. Human resources, not natural resources, are the key national resources. The challenge for Australia is to become internationally competitive in people power and intellectual capital (brain power). This has important implications for our national investment in education and research and development. Nations now compete internationally for scarce skills, intellectual property and centres of excellence.

Capital and corporate investment gravitate to the communities of the smart, not, as in the past, to places with cheap labor or cheap electricity. Government strategies for attracting bricks-and-mortar investment must be replaced by strategies for attracting people. Globalisation and the information revolution mean that skilled people can choose among more places.

Australia is a net importer of skills, which indicates that many people prefer to make Australia home. But we cannot take this for granted. Many surveys, mainly done in the United States, show that knowledge workers put a premium on cities with many amenities and good environments and lifestyles.

Multiculturalism, social pluralism and cultural richness emerge from these studies as key factors in how footloose knowledge workers choose where they will live.

The attitude of people towards their careers is changing. In an information economy, knowledge workers become self-employed talent, expecting to work at many organisations and to move from place to place through their careers. Mobility and change are everything. This has subtle implications for the engagement of people with their community and country of birth.

A recent article in the British magazine *The Spectator* drew attention to the trend by Britons to spend more time in second homes on continental Europe or in the US. This points to a subtle shift away from old notions of a principal place of residence. The elites of the information economy are not bound by the old links between people and place. This is the reality behind the jargon about virtual communities and a cosmopolitan class of person.

The term citizen of the world has taken on new significance. From a national perspective, the issues of people movement are much more complex than brain drain versus brain gain.

The knee-jerk response to lure expatriates home, and to try to keep them, is no longer the answer. World-class scientists and business people will gravitate to where the action is; to the hot spots in their fields.

As Australian astronaut Andy Thomas says, it would be hard for him to make a living as an astronaut in Australia.

A contrarian view is that a pool of well-connected expatriates can be a positive asset for any country. An Australian diaspora, a wandering tribe of Australians, could be extremely beneficial, connecting Australia to the world and to centres of power and activity.

Mobility creates a pool of globally networked people that can become an extended resource pool for the nation. This turns what could be seen as a disadvantage into a potential source of competitive strength.

Expatriate Australians are a valuable resource to be harnessed and used. The new strategic response is to see this as the creation of a worldwide web of influence.

The information economy provides the impetus, and the means, to connect this extended family with the life of the national community. There is the opportunity to create a sense of extended community and virtual citizens.

Economies such as Australia's have to market themselves and attract global attention. They must be seen as places where people are doing interesting things, and in which highly mobile professionals will find it attractive to live and work.

At the very least, Australia must be somewhere that can be plugged into from anywhere.

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