Michael Ewers: The Gulf Talent Retention Paradox: Drivers, Dynamics, and the Rise of Circularity

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Drivers, Dynamics, and the Rise of Circularity

Michael Ewers

Executive Summary

This synthesis paper explores the 'Gulf Talent Retention Paradox', where the Gulf Cooperation Council (GCC) states succeed as global hubs for talent, but struggle to retain this talent. Instead, the region increasingly functions as a transitional stepping-stone for highly skilled expatriate workers and their families on their way to more permanent homes in Europe and North America. The Gulf states' governments may even view this trend as an evolving national security issue that poses a threat to their economic diversification plans.[1]

Drawing on eight policy reports, a Pilot Survey Report, and a Legal Report, this paper argues that the Gulf Talent Retention Paradox is driven by a rational choice among migrants and their families in response to clear policy contradictions for non-national residents in the Gulf. While reported economic satisfaction in the region is generally high, non-nationals desire permanency, which the Gulf states do not provide for the vast majority.[2] Even for culturally and socially embedded second-generation residents, this legal precarity can persist.[3]

The pull factor of permanency and formal membership in Europe and North America is accompanied by an economic push factor in the Gulf states in the form of a 'citizenship penalty'.[4] Here, Gulf institutions tie a worker's wage level and career advancement potential to their passport, which creates a ceiling for both.[5] The policy reports identified severe impacts from this penalty.[6]

Yet, the reports and policy reports show that such a dynamic of onward migration from the Gulf to Europe and North America is not merely brain drain but is instead a more strategic brain circulation.[7] In other words, high-skilled workers are incentivised to leave the Gulf to find the longer-term security available in the West, only to return back to the higher-wage and more socially familiar Gulf states where they can bypass the longstanding citizenship penalty.[8]

While the Gulf states and Western nations both compete in the same 'race for talent'[9] with tools like Golden Visas, their overarching goals differ significantly. Western policies link skilled migration to paths toward citizenship or permanent residency.[10] Gulf policies on the other hand seem to deliberately delink citizenship and migration in order to protect the long-standing advantages of Gulf citizenship stemming from the redistribution of oil wealth.[11] Yet, by not providing a path to citizenship, the Gulf states' policies