Mohammad Amaan Siddiqui: Challenges to the GCC’s Economic Diversification Agenda: Understanding the Structural Drivers of High-Skilled Emigration from the Gulf

Challenges to the GCC's Economic Diversification Agenda

Understanding the Structural Drivers of High-Skilled Emigration from the Gulf

Mohammad Amaan Siddiqui

Executive Summary

The Gulf Cooperation Council (GCC) countries are increasingly diversifying their economies to move away from rentierism. High-skilled non-citizens are indispensable for these goals. Yet, despite the Gulf's high wages, security, and cosmopolitan lifestyles, many highly skilled migrants continue to leave the GCC. This paper investigates the reasons driving this emigration of non-citizen talent to offer policy suggestions for improved foreign labour retention.

Essentially, despite affinity to the GCC's sociocultural environment, safety, and lifestyle, high-skilled workers may nonetheless emigrate because of: (1) limited permanent residency pathways and benefits—the current longer-term sponsor-free residency permits also fall short in accessibility, welfare, and stability; (2) institutionalised passport-based hierarchies, wage differentials, and structural constraints in immigration and labour laws—many formal and informal institutions underpay Global South nationals—tie employees to employers preventing job mobility, and promote discriminatory wage-setting and promotion practices; (3) issues in labour law implementation—a lack of monitoring and bottom-up collective bargaining prohibit employer accountability; and (4) limited educational and professional development pathways—higher respect is afforded to Global North credentials while local knowledge economies remain underdeveloped, promoting short-cut policies that result in high turnover rates.

In many cases, however, emigrants later return to the Gulf with third country passports to benefit from their welfare policies and the advantages afforded to Global North credentials in the GCC. Nonetheless, this pattern of circular migration is largely informal and costs the GCC during what may be a permanent, in addition to temporary, emigration period. Such a pattern is also only available to families with certain networks and class privileges and constitutes circumvention of a discriminatory, not meritocratic, regime. The decision to return or remain in the Gulf is also highly dependent on one's disdain or unfamiliarity with the social and political life of countries of origin, factors that can pose exogenous shocks on GCC migration flows. The GCC states should internalise migration control, instead, for predictable and sustainable migration governance.