

Leaving Spain for Work: Luck or Misfortune?

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There is no doubt that the Spanish labor market is a tough one for the young people. With nearly one million unemployed under 25 years, the youth unemployment rate is above 55%, more than double than the European Union and higher than in other bailed out countries.



What are the main weaknesses of the labor market for the young? First of all, a high academic dropout rate combined with a not well-developed vocational training system has led to a very difficult situation for less skilled professionals. However, even those with a solid academic background find it difficult to escape part-time or temporary contracts and find an attractive job.

As a consequence, since 2008, more than 400,000 students have left Spain for work. But what is the profile of the young Spanish emigrant? Back in the sixties, millions of Spaniards went to France, Switzerland and Germany to work in very low-qualified jobs. Today the situation has changed significantly: it is the time for the highly qualified professionals to emigrate: engineers, architects, software developers, doctors...

In that sense, some people argue that Spanish students who received their education thanks to public money are being transferred free of charge to “competitor” countries who have not spent a single euro on their training but benefit from their professional skills. In fact, depending on the degree, public college education can cost from 3,000 to nearly 10,000 euros per student and per year. For each graduate, this adds up to a significant investment which recipient countries can save.

Moreover, this emigration means that potential long term contributors are leaving the Spanish welfare system which is already at risk because of current demographic trends. Not only is tax revenue reduced, but young people are among the most important consumers. Therefore domestic consumption is also negatively affected. And above all, there are substantial personal issues, not only for those who leave but also for their families and rest of the society that stays behind.

But is it really the case that all the consequences of skilled migration are negative for an emigration country like Spain? We must not forget about the fact that it reduces unemployment and expenditure in social services. If these 400,000 young Spaniards were not working abroad, unemployment would be at around a 65% rate. Moreover, these workers send money back to the country. From an individual point of view, it is also clearly

a good investment for people since it allows them to find skilled positions instead of low profile ones. And from a country approach, in an increasingly globalized and interconnected world, isn't it a competitive advantage to have a future labor force that has benefited from international exposure and experience?

Finally, from a European Union perspective, it isn't just the countries with the highest rate of unemployment that should be of concern to us. There are also ghosts in the host countries: Front National in France, UKIP in UK, or the Party for Freedom in the Netherlands are examples of extreme positions which benefit from popular support.

In order to cope with this challenge, society as a whole as well as politicians and businesses need to surmount their individual, short-term interests and think globally. A European brand deserves been promoted, and our shared values enhanced. The most highly skilled professionals have to be able to work in the best places in order to promote competitiveness. We should establish clusters modelled on Silicon Valley in California like we already have with the financial sector in London, with the car industry in Germany and Italy, or with fashion, wine and tourism in Spain and France. We should all support and preserve a common European brand while letting differences among countries and regions evolve towards the best outcome from a competitive point of view.