

AmChamNews

AMERICAN CHAMBER OF COMMERCE IN THE NETHERLANDS

Q3/11



2011 PRIORITY POINTS:

*Doing what works to
stimulate innovation
and flexibility*

+ THE ATTRACTIVENESS OF THE NETHERLANDS FOR THE SKILLED MIGRANT

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International Herald Tribune

THE GLOBAL EDITION OF THE NEW YORK TIMES



FROM AMCHAM NEWS 1971

ANNUAL GENERAL MEETING

Nearly 200 members and guests attended the ninth Annual General Meeting and luncheon on March 25 at the Amsterdam Hilton. In his remarks, the President of the Chamber, S.E. von Kutzleben commented on the rapid changeover from an agricultural to an industrial economy, which he has witnessed in 16 years' residence. (April)

CHANGE IN WORK PERMIT PROCEDURE

The Ministry of Social Affairs and Public Health has amended the standing regulations for alien work permits. Now, an employer requesting a permit for an employee who is transferring to Holland in a position of responsibility need only declare in writing that the employee will receive a salary in excess of fl. 2000 per month. It is no longer necessary to submit a copy of the contract stating the full salary. (May)

NEW QUARTERS FOR THE CHAMBER

In mid-July the Chamber will move its offices to Carnegieplein 5, opposite the Peace Palace and only a short distance from the present Laan van Meerdervoort location. The new quarters consist of a suite of six offices sub-leased from Esso Chemie. We shall be sorry to leave the Aramco building after eight years, but as Aramco expanded its staff they needed the space occupied by the Chamber.The move brings us full circle, since our first office, which opened in January 1962 was in the annex of Esso's building on the Benoordenhoutseweg. (June) ■

ACROSS THE POND

AN ECONOMIC AND SOCIAL EYE ON THE USA

IS COLLEGE WORTH IT?

College costs are rising, student debt is mounting, and the public is skeptical about the value of a college degree, according to two new surveys by the Pew Research Center. Meantime, only 19% of college presidents say the US system is the best in the world. But more than eight-in-ten college graduates say college was a good investment for them personally.

A majority of Americans (57%) say the higher education system in the United States fails to provide students with good value for the money they and their families spend. An even larger majority (75%) says college is too expensive for most Americans to afford. At the same time, however, an overwhelming majority of college graduates (86%) say that college has been a good investment for them personally.

Adults who graduated from a four-year college believe that, on average, they are earning \$20,000 more a year as a result of having gotten that degree. Adults who did not attend college believe that, on average, they are earning \$20,000 a year less as a result. These matched

estimates by the public are very close to the median gap in annual earnings between a high school and college graduate as reported by the U.S. Census Bureau in 2010: \$19,550.

Nearly every parent surveyed (94%) says they expect their child to attend college, but even as college enrollments have reached record levels, most young adults in the US still do not attend a four-year college. The main barrier is financial. Among adults ages 18 to 34 who are not in school and do not have a bachelor's degree, two-thirds say a major reason for not continuing their education is the need to support a family. Also, 57% say they would prefer to work and make money and 48% say they can't afford to go to college.

Six-in-ten college presidents say the system of higher education in the US is headed in the right direction, but a substantial minority (38%) say it is headed in the wrong direction. A majority of college presidents (58%) say public high school students arrive at college less well prepared than their counterparts of a decade ago; just 6% say they are better prepared. Also, 52% of presidents

say college students today study less than their predecessors did a decade ago; just 7% say they study more.

MAJORITY SAY HOMOSEXUALITY SHOULD BE ACCEPTED BY SOCIETY

While the public is divided over same-sex marriage, a majority of Americans (58%) say that homosexuality should be accepted, rather than discouraged, by society.

Among younger people in particular, there is broad support for societal acceptance of homosexuality. More than six-in-ten (63%) of those younger than age 50 (69% of those younger than age 30) say that homosexuality should be accepted. Far fewer of those aged 50 and older (52%) favor societal acceptance of homosexuality. Opposition to gay marriage has continued to decline. Currently, 45% favor allowing gays and lesbians to marry legally while 46% are opposed. Two years ago, in April 2009, 35% supported same-sex marriage while 54% were opposed.

DNA

DATA | NEWS | ANALYSIS

OECD - RECOVERY UNDERWAY, BUT THERE ARE STILL RISKS

The global recovery is firmly under way, but is taking place at different speeds across countries and regions, according to the OECD's latest Economic Outlook (May 2011). Historically high unemployment remains among the most pressing legacies of the crisis. It should prompt countries to improve labor market policies that boost job creation and prevent today's high joblessness from becoming permanent, the report said.

World gross domestic product (GDP) is projected to increase by 4.2% this year and by 4.6% in 2012. Across OECD countries GDP is projected to rise by 2.3% this year and by 2.8% in 2012, in line with the previous forecasts of November 2010. In the US, activity is projected to rise by 2.6% this year and by a further 3.1% in 2012. Euro area growth is forecast at 2% this year and next, while in Japan, GDP is expected to contract by 0.9% in 2011 and expand by 2.2% in 2012.

But there are downside risks, including the possibility of further increases in oil and commodity prices, which could feed into core inflation; a stronger-than-projected slowdown in China; the unsettled fiscal situation in the United States and Japan; and renewed weakness in housing markets in many OECD countries. Financial vulnerabilities remain in the euro area, in spite of strong adjustment efforts underway in some countries.

INVESTMENT: TRADE RESTRICTIONS INCREASING BUT GLOBAL INVESTMENT REMAINS OPEN, SAYS OECD-UNCTAD-WTO REPORT

Most G20 governments have put in place some restrictive trade measures over the past six months, but have on the whole honored their pledge to keep international investment open, according to the OECD, UNCTAD and WTO. In their fifth report to the G20, the OECD and UNCTAD say that most new investment measures taken by G20 governments between 16 October 2010 and 28 April 2011 have reduced restrictions to international capital flows and improved clarity for investors. The WTO section of the report deals with trade issues. Three countries introduced new restrictions on investment: Brazil, China and Russia.

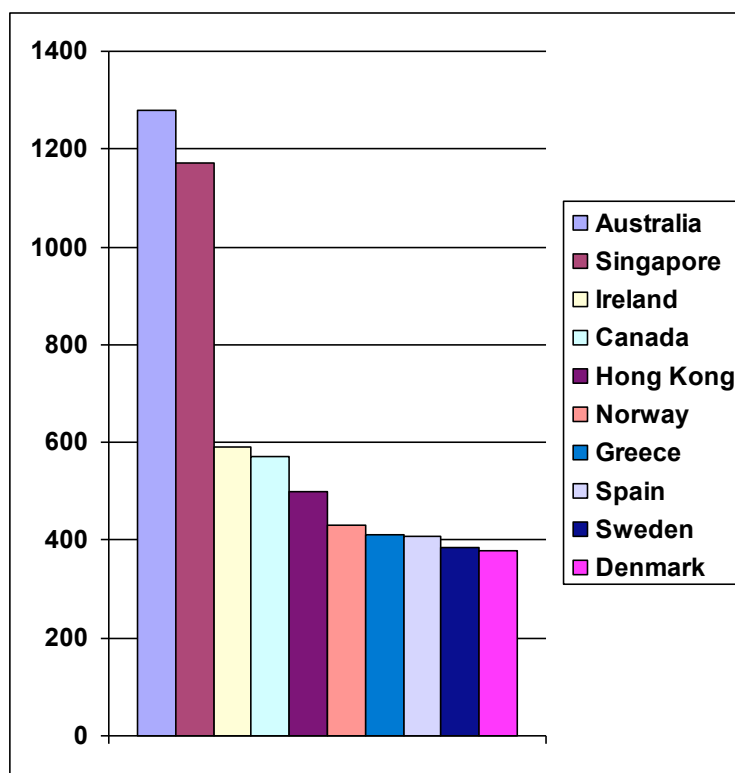
Many emergency measures taken in response to the crisis, such as the rescues of banks and non-financial companies, have now been phased out. The assets and liabilities resulting from these measures on governments' accounts are being wound down, says the report. At least six countries – Australia, Germany, Italy, Japan, the United Kingdom and the United States – still hold legacy assets and liabilities in several hundred financial firms, exceeding USD 1.5 trillion for the financial sector alone. But concerns that the implementation or unwinding of these measures might involve overt discrimination against foreign investors have not materialized.

TOP 10

FANCY A BET?

G'day punters, journos, high rollers, politicians, insiders, outsiders... one and all. Today we probe the question of just how popular gambling of all varieties is - and, more importantly, where they live. The winner is.... Australia! We can now confirm that the land down under holds onto its top ten position - that's right they've been there a long time. There's 1 one-armed bandit for 110 people down under. Aussies will even bet on whether the country's central bank will raise or lower interest rates and by how much. That's sophisticated betting and puts Aussie Land squarely at the top of the top 10 gambling havens. Ripper, mate!

*GAMBLING COUNTRIES
LOSS PER RESIDENT ADULT (OVER 17 YEARS),
2010*



P LIST OF PATRON MEMBERS



AmCham

YOUNG PROFESSIONALS

by Alfred van der Klis

a.vanderklis@gmail.com



AS A CHILD OF AND AS FORMER ENTREPRENEUR I SUPPORT CAPITALISM. I AM ALSO A CHILD OF THE ENLIGHTENMENT WITH THE ADAGIUM 'DARE TO THINK', WHICH MEANS I ALSO HAVE TO BE CRITICAL ABOUT CAPITALISM.

With this background in my mind, I am of the opinion that legal statements do not logically result in concepts of justice. The law may prescribe ideal definitions of what good behavior should be, but the law does not provide any form of empirical success or failure for capitalism. Thus my plea is: the growing unemployment among young people, the increasing population and the decrease of natural resources could possibly lead to a decrease of purchasing power. We have to understand that capitalism is not dogmatic, but a practical theory. It should be amended in the interest of future generations.

A friend of mine was an oil trader. He bought oil cheap and sold it when the price was right. "This is the essence of market," he told me. I asked him what he meant by that. "Market is about making profits for a legal existing enterprise." "So you think that markets under these conditions are always righteous," I asked him. Of course he responded with a solid yes. so I said to him: "Suppose I buy half of the worlds grain stock. And I'll wait for the great hunger to appear. And then I sell the grain for an absurd price because people are in disparate need of food. Is that your kind of justice?" I managed to change my friends opinion. As it seems Market force is more than just an accounting system and goes far beyond the statutory requirements, for the reason that capitalism has a moral and social reference. Adam Smith himself stated that his capitalism was morally necessary to emancipate the poor.

This hypothesis brings me to 2011: The year that some banks and pension funds still receive financial support of the government. Commercial mathematical deduction is only good when profits are

actually realized. Now more than ever, it shows us that Capitalism is ultimately based on empirical results. The consequences of the financial crisis are substantial: Young professionals can hardly get a mortgage, capital for young entrepreneurs has greatly reduced and the Babyboomers lobby are appealing to her rights to have their pensions saved. All of which is getting worse since taxpaying population is shifting drastically. In the past we had two working people for one retiree, nowadays it's completely the opposite as one working person is covering two retirees. My generation will be the first after the WW2 that will be worse equipped than it's predecessor, although we grew up with the same wealth and rights.

With the increase of our population, I wonder if the number of jobs will too? It came to my attention, that with new efficient measures we are creating less jobs, focusing on profit, which obviously is a trademark for Capitalism. Other developments like the depletion of our resources and the rise of social media have to be taken into account. Under these circumstances Capitalism has to reinvent its own references. 2011 shows us that the retention of profit as a moral benchmark could lead to an unpredicted moment towards a clash of civilizations and generations because each human being constant struggles for the pursuit of happiness. Now my second hypothesis: Under pressure by the circumstances stated as above, Capitalism is in need of moral and sociological contemporary answers.

I plea therefore for a shift from the concept of profit to the concept of property in ownership as moral starting point of Capitalism. The phrase "if the law allowed something, then it is allowed" does lack the creative power and influence of Capitalism. Capitalism shouldn't be solely based on legislation and profit. We need leaders in every branch to build a vision for modern Capitalism. I hope that my generation will not only be able to go on holiday in its own country, but also have the opportunity to spread their wings and flourish in exotic places.

A WELCOME NOTE FROM AMCHAM'S NEW PRESIDENT



The Netherlands is a critically important location for Avery Dennison: it was the first country in which it invested outside the USA. Today it employs 700 people across four sites in The Netherlands. We are currently looking to build new European headquarters here, and to invest significantly in growth and innovation in the coming years. I am therefore extremely passionate about ensuring that this country remains an attractive focus for American company investment, and a competitive and differentiated proposition compared to the emerging countries currently attracting investment. On a personal note, I am married to a Dutch man, Bert, and have a 15-year-old son, Daniel. I spend my winter weekends ice skating at the Uithof, or driving to remote locations for rugby matches! Summer weekends are spent sailing on the Kaag. I sometimes wonder whether my professional interests or my personal interests drive my love for this country!

My aim in life is to make a difference, and what motivates me most is developing and building diversity in every sense – particularly in relation to the inclusiveness of teams, and the critical need for women to play an integral part in them. My personal journey on the corporate career ladder has made me realize that I can help both women and men to create a professional environment where female executives can also succeed. I lead the diversity initiative for Avery Dennison, coaching young professional woman in China, Brazil and Europe; and, more recently, have become involved in the AmCham Diversity Committee. Here, my appointment as first female president in AmCham's 50-year history in The Netherlands certainly helps accomplish some of our goals!

My belief that The Netherlands remains a strong, strategic arena for American corporations makes my appointment a motivating challenge. I want to make the American Chamber of Commerce for The Netherlands even more visible, meaningful, and active, to strongly represent the present and future interests of the 400 companies that we have today.

I look forward to making a difference.

Helen

Dear Members,

I am truly honored to be entrusted with the role of President of the American Chamber of Commerce for The Netherlands. Raoul has built such a strong and active Chamber over the past five years that he will certainly be a hard act to follow! I am excited by the opportunity, and look forward to building on the strong momentum already created by the AmCham Board and its members.

For 25 years I have worked for an American company, Avery Dennison – a market leader in self-adhesive technology and materials. My career has taken me to many parts of the world: I have lived and worked in England, Russia, the USA, and, for the past six years, The Netherlands. I am currently Vice President and Managing Director of two global divisions: Commercial Graphics; and Traffic, Safety and Infrastructure. My divisions have sales facilities in 18 countries, and manufacturing facilities in China, India, Brazil, USA, and here in The Netherlands.

Henry Hudson's TRAVEL TATTLE & TIPS

International Driving License

The website of the AAA waxes lyrical about how useful international driving licenses can be: When traveling overseas, carry an International Driving Permit ... even if you're not planning to drive. Should you need to communicate with foreign authorities, this recognizable form of identification can help you get on your way more quickly.

Really? One would think a passport is more recognizable. What good are these things anyway - other than an AAA money spinner (cost \$15) for the uninitiated traveler? Well a writer for The Economist has a possible solution. Here is his opinion.

"Writing a story this week about corruption in Mexico reminded me of a time a few months ago when a policeman tried to sting me for a bribe near Cancún. In a 60km-per-hour zone, I had been doing 66, he claimed, holding up a "speed-gun" that I'm pretty sure was in fact a Casio calculator with the number 66 typed in. He said he would confiscate my driving license, which I would then have to pick up the following week at the police station—a task that would take hours, and cause me to miss my flight. Or, he kindly offered, I could pay him an on-the-spot cash "fine" of about \$15 and he'd forget all about it.

The corrupt copper's power lies in his infuriating ability to hold your driving license to ransom. Most tourists would rather pay a few pesos than waste a day of their holiday at the police station, and in most countries it costs more than \$15 (and entails a whole lot of hassle) to get a replacement driving license when you get back home. So nine times out of ten, the policeman gets his kickback.

Or does he? When I moved to Mexico, one of the eccentric things I bought in a panic was an international driving permit, a weirdly homemade-looking document that in Britain you can get at the post office in a few minutes for £5.50 (\$8.90). I have never been asked for it when renting a car, or at any other time, and had always wondered what on earth the point of it was.

Now I know of at least one use. A policeman wants your driving license for some dubious offence? He's welcome to it. At £5.50 each, international permits are about half the price of an average Mexican bribe. They are valid for one year, so if you bank on being extorted by the police at least once every two years (not unlikely, in some parts of the world), it's a reasonable investment. As a genuine license, with all your details inside, it allows the authorities to chase you up later if they think you really have a case to answer. At the same time, it's cheap enough to thwart the ransoming power of crooked patrolmen. Don't leave home (or at least Cancún airport) without one."

Driving in Newfoundland

Probably few readers will find themselves driving in the Canadian province of Newfoundland - but, if you do, prepare yourself for a unique Canadian hazard.

The moose was introduced to Newfoundland - an island about three times larger than the Netherlands - some hundred years ago to attract hunters and tourists to the struggling province. However, not having natural predators as elsewhere in the country (the wolf went

extinct in Newfoundland) there are now some 150,000 of these lumbering mullocks (they can weigh up to 5-600 kilos). They also have a habit of wandering across highways in the dark - making them a road hazard good for some 700 collisions a year. If you hit one, the front end of the car hits the long spindly legs and the moose's massive body will come through your windshield.

The province is trying to protect drivers by granting an extra 5,000 hunting licenses, extending the hunting season by a week and clearing brush from verges to make moose more visible. Motorists are also urged not to drive at night - especially in May and June when younger moose - they're even thicker than their parents - tend to wander more on the roads.

A FAREWELL NOTE FROM RAOUL OBERMAN



Dear Members,
I want to congratulate you with your new President, Helen Mets-Morris. I have been working with Helen over the past years on our Board. I respect her for being a global person in her thinking, with a good understanding of the United States and a heart for the Netherlands. Most importantly she is practical, effective and friendly in getting things done. I stepped down as your President during the AGM last May 25 and will move to Jakarta in July with my family to lead McKinsey's operations in Indonesia.

It has been a particular privilege to have been your President for the last 5 years. You gave your Board and me the opportunity to expand our Chamber's activities and intensity. We have been continuously active, both through different committees and the annual publication of AmCham's Priority Points as through special events, such as the Going-for-Gold Dinners, to help the

Dutch decision makers understand what it takes to attract and retain foreign/US investments in the Netherlands. We built the Young Professionals Group, where younger international minded professionals meet informally and formally with now more than 100 active members today. Furthermore, we launched Champs on Stage, which we could just recently spin off as a standalone foundation. Today it annually helps more than 1200 inner city high school students to make better founded decisions for their future careers by receiving mentoring and internships. Thank you for having given me such an opportunity. I truly believe AmCham is a proactive, respected and vibrant organization!

Please provide Helen with the same support and commitment as you have given me.

All the best,
Raoul Oberman



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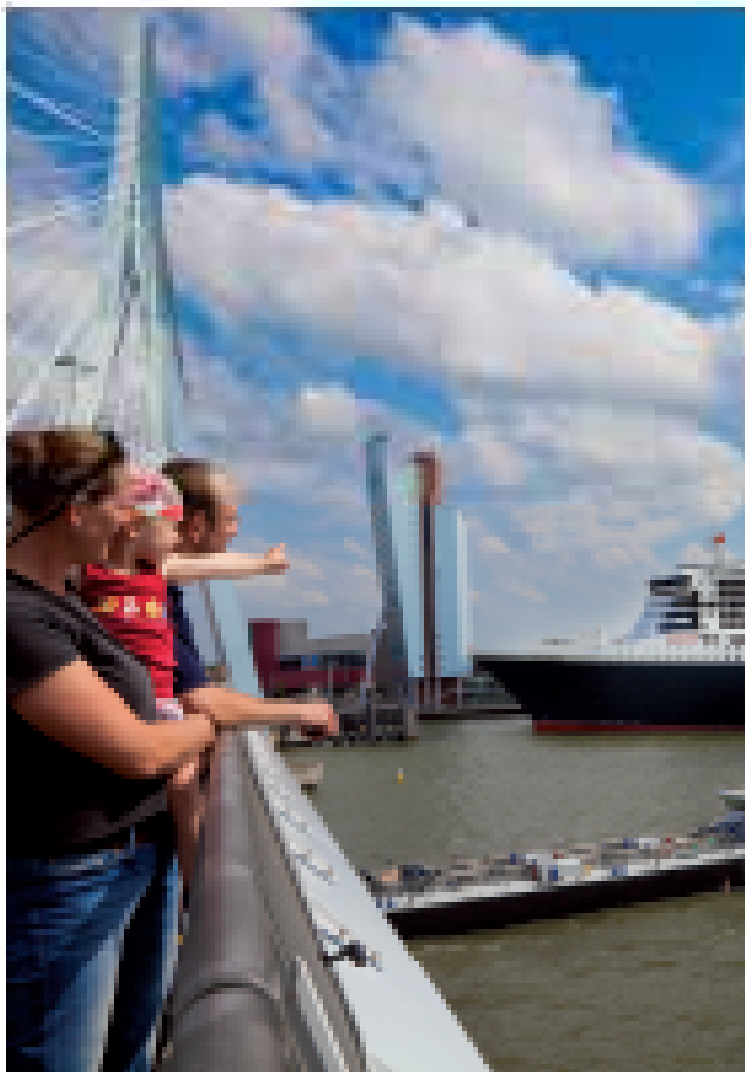


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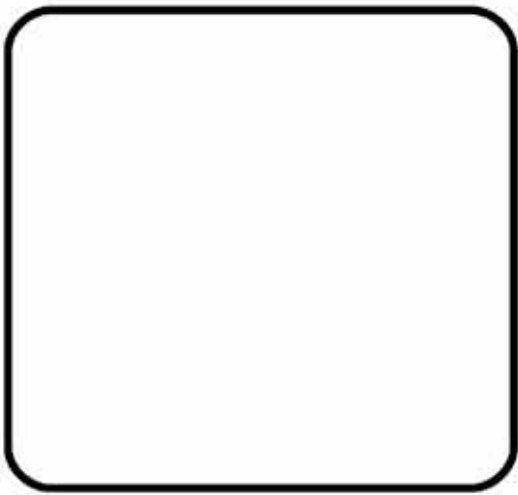


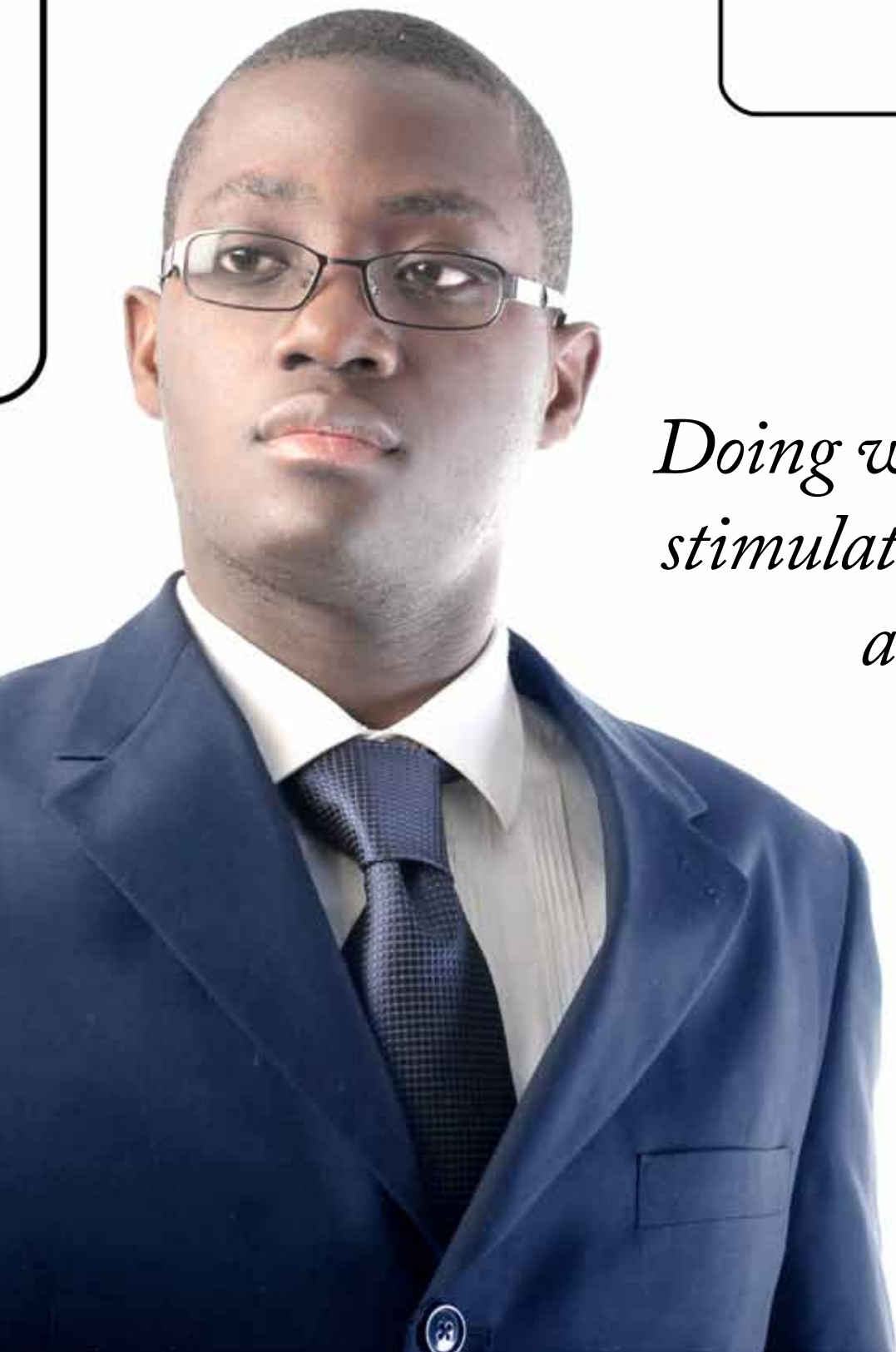
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2011: Priority Points





*Doing what works to
stimulate innovation
and flexibility*

THE NETHERLANDS ECONOMY CONTRACTED SHARPLY DURING THE CRISIS BUT BEGAN TO RECOVER SLOWLY FROM MID 2009. AS ECONOMIC GROWTH STRENGTHENS, THE NEW GOVERNMENT COMING IN AFTER THE JUNE 2010 ELECTIONS HAS BEEN CONFRONTED WITH THE TASK OF CONSOLIDATING PUBLIC FINANCES WITHOUT PUTTING THE RECOVERY AT RISK. THE MOST CRUCIAL LONGER-TERM CHALLENGES ARE TO SECURE FISCAL SUSTAINABILITY AND RAISE POTENTIAL GROWTH. IMPROVING THE ATTRACTIVENESS OF THE COUNTRY FOR THE FOREIGN INVESTOR IS IMPORTANT IN MEETING THESE CHALLENGES.

This year's Priority Points has taken into account the limited room the new government has to maneuver - given the considerable financial cuts that are necessary to ensure the nation's financial stability and the constraints imposed by the nature of the coalition itself. For example, the limited room to ease termination laws - a measure supported by both government partners CDA and VVD but not by a sufficient number of other political parties.

While continuing to stress the need to relax termination laws, we see flexibility can be significantly improved by increased employability. AmCham encourages measures to increase diversity, the participation and acceptance of elderly employees and emphasizes the need for policy to encourage individuals to work on their own employability. Policy need not focus on termination legislation if we can build flexibility and employability into the nation's citizens by formal and business in-house education. Increased employability can be an avenue to the flexibility business needs.

Innovation - the key to meeting all national and global challenges - needs investment in education as well as entrepreneurial encouragement to stimulate the creative solutions to the complex problems we are all faced with.

On the tax front AmCham sees the recent introduction of the innovation box as an excellent initiative that only needs a bit of fine tuning to work optimally for research-based investment. We also continue to stress the need for longer term stability and predictability in tax legislation.

LABOR FLEXIBILITY THROUGH INCREASED EMPLOYABILITY

The knowledge and skills that people possess directly influence their life chances - employers look to employ ability. There is overwhelming evidence that better qualified individuals are, the stronger their chances of living longer healthier lives and/or contributing productively in a well-paid job. The relationship between the education and training system and the labor market, the changing demand

The Priority Points

STIMULATE LABOR FLEXIBILITY THROUGH INCREASED EMPLOYABILITY IN THE NETHERLANDS:

Prevent long-term unemployment by incentivizing job-seeking.

Tackle demographic ageing and the growing dependency ratio.

Stimulate skills for the future.

INNOVATION STIMULATION IN THE NETHERLANDS:

Invest more in education, talents and skills.

Ensure that the conditions for businesses are conducive for innovation - less red tape and sufficient tax and other incentives for small innovative companies.

TAX MEASURES:

Maintain and enhance the innovation box

Ensure stability, consistency, predictability and simplicity in tax legislation.

Simplify the existing interest deduction limitation rules to increase clarity among the business community.

Have tax losses carried forward indefinitely.

for skills, and the routes and careers that people chart through an increasingly complicated labor market increasingly occupy the attention of public employment policy-makers. The 2010 general election made it clear that a new government - of whatever political color - would be faced with a range of pressing policy issues on all fronts. However, the changing demands for skills, the need to increase productivity and to reduce expenditure on welfare mean that policies relating to employment and skills will be among the most important.

PRIORITIES

A. PREVENT LONG-TERM UNEMPLOYMENT BY INCENTIVIZING JOB-SEEKING.

B. TACKLE DEMOGRAPHIC AGEING AND THE GROWING DEPENDENCY RATIO.

C. STIMULATE SKILLS FOR THE FUTURE.

EXPLANATORY REMARKS

PREVENT LONG-TERM UNEMPLOYMENT BY INCENTIVIZING JOB-SEEKING.

The Netherlands has the lowest rate of both general unemployment as well as youth unemployment in the EU. However, low rates of economic growth and uncertainty in product markets are likely to produce relatively low hiring rates among employers. Many employers - thanks to temporary benefit measures - held on to staff during the recession and will be able to respond to the forthcoming upturn with little need to turn to the labor market. Efficiency and equity require that such vacancies as do emerge are filled quickly and that access to them is reasonably well shared out among jobseekers. Public policy needs to ensure that people do not become locked into long-term unemployment and inactivity. Incentives must be maintained for newly unemployed to pursue active and effective job hunts, with the objective of securing speedy return-to-work, supplemented by:

- providing more help with employability and vocational skills, such as literacy, IT and customer service skills as well as an aptitude for work, as unemployment spells lengthen;

- Increasing the conditionality and liabilities for benefit sanctions among longer term unemployed to ensure that they take the opportunities that present themselves.

- Neighborhoods of persistent inactivity and unemployment (among certain ethnic groups, for example) are targeted, which may also require intervention on the demand side (through job creation programs or subsidies for employers).

Much policy debate focuses on the institutional arrangements for active labor market policies (should they have a national or local focus? how far should they be outsourced to the private or voluntary sectors? etc.). International evidence, however, suggests that these arrangements are not as important as:

- Appropriate incentive structures for those managing and delivering the return-to-work programs for workless groups. Recent evidence has shown that poorly designed performance incentives can lead to providers 'creaming' the easiest-to-place candidates.

- A greater degree of flexibility and individualization in the support packages offered. A one-size-fits-all approach rarely meets the needs of the diverse range of people in unemployment.

Any policies on offer to reduce long-term unemployment must be tested against the above two criteria.

TACKLE DEMOGRAPHIC AGEING AND THE GROWING DEPENDENCY RATIO.

In 1980, children in the EU outnumbered pensioners by 36 million, but now the total European Union population contains six million more over-65s than under-14s.

As the age at which young people leave fulltime education or training increases, so working lifetimes need to be extended to contain the rising cost burden placed on prime-age taxpayers, and ensure there are enough people to meet expected future demand for workers. This means that:

- Legislation or other mechanisms are needed to encourage employers to train - and hire - older people;

- Further and higher education funding may need to change, and flexible part time provision increase, to allow and encourage older people to acquire new skills;

- Pensions and taxation arrangements need to become more flexible to accommodate people drawing income from multiple sources;

- New 'flexicurity' ideas need to be tested: for example, as in Austria, employers pay a proportion of payroll costs into a fund from which employees can draw either a redundancy payment if needs be, or if not, can supplement their pension.

STIMULATE SKILLS FOR THE FUTURE.

Many new jobs and skills will be required as industry and services evolve and recover over the next 10 years. While the supply of university graduates in many disciplines may exceed the quantity of jobs available, there is likely to be a rising demand for technicians in IT, in manufacturing, in maintenance services, in health services across a range of sectors driven by:

- Growing technological complexity - driving up skill levels across the production sectors;

- The growing attention given to higher value-added product market strategies - accentuating the need for higher skills at intermediate level;

- Changing skill mix in some professions, including public and professional services.

Furthermore, high levels of customer service skills are likely to attract a growing premium in the labor market, as employers seek competitive advantage. There will be a continuing demand for personal service occupations, in particular care assistants, as demographics and female participation in the labor market continue to increase demand for caring services for both younger (particularly preschool) and older age groups. The level of service that carers have to offer will continue

to rise with advances in assisted living for the elderly, and increasing attention paid to the impact of early years childcare on life chances. Growing skill demands will not be confined to frontline paid carers. With public expenditure likely to be under continual pressure over the next decade, the management of care services will require continual innovation, careful financial management and persistent commitment to providing a high quality service.

Potential employees at all ages and training providers alike need access to effective information, advice and guidance to ensure supply is available to meet these and other emerging areas of demand for employment and skills.

To absorb and develop learning skills it is essential that language and cognitive abilities are in place before schooling begins at the primary level. Pre-school and summer school participation needs to be encouraged - even made mandatory - for children lacking these basic requirements due to shortcomings in a home situation.

STIMULATING INNOVATION - IMPLEMENT WHAT WORKS!

Innovation is becoming a sound bite - it is increasingly being taken for granted as something which will just continue to happen. However, not only does innovation drive the economy, it influences the very quality of our day-to-day life. It is the only way to meet all of our national and global challenges. But real innovation - along the lines of the development of the web browser, the mobile phone, the first PC - needs decades of institutional push and resources behind them to develop. The Netherlands - and the EU - must not become too shortsighted and more risk averse when it comes to developing broad strokes in new technology. In the past 10-20 years there has been a depletion of the resources behind engineering, technology, and science in Europe and in North America. These areas of study have been denied the sufficient and necessary nutrients to thrive - to plant the seeds that are needed for breakthrough innovative developments.

A. INVEST MORE IN EDUCATION, TALENTS AND SKILLS.

B. ENSURE THAT THE CONDITIONS FOR BUSINESSES ARE CONDUCIVE FOR INNOVATION- LESS RED TAPE AND SUFFICIENT TAX AND OTHER INCENTIVES FOR SMALL INNOVATIVE COMPANIES.

EXPLANATORY REMARKS

PRESENT INNOVATION ENVIRONMENT

There is a movement from national to international systems of innovation. Since the 1990s it is fair to say that worldwide, the largest part of worldwide economic growth has been associated with the acceleration in the diffusion of technological change and worldwide access to knowledge as opposed to individual countries' domestic efforts in research and knowledge accumulation. The low-hanging fruit of problem-solving has been plucked (discoveries and product development in a garage are becoming folklore) and the remaining modern challenges are so complex, they can, in large part, only be solved by a group effort. Teams working toward innovation not only require talent, but also a genuine blend of cognitive diversity - members with different backgrounds, varying life experiences, and diverse fields of study. Only through this kind of collaboration - porous exchanges of ideas not harnessed by non-disclosure clauses - can larger, global problems be divided and conquered.

Failure, a willingness to fail and the ability to learn from failure are an absolute critical part of innovation. Nobody wants to fail, but we need to be willing to take that plunge - and self-analyze to learn from our failures. The way to be innovative is by failing more. If not given the opportunity to fall short of new goals, engineers and thinkers will be incapable of setting their sights high. Luckily for the entrepreneurially-minded, Silicon Valley is a forgiving place, and those with great ideas are often given credit just for stretching and broadening new notions into the marketplace. What distinguishes Silicon Valley - and on a much smaller scale YES!Delft - is not how they deal with successes but how they deal with constructive failure. In the Netherlands and much of Europe what is lacking is a culture of constructive failure - the ability to take your

experience and cash in on it as an asset and start again. Too often the business culture is one of: fail and you're finished. Failure is the secret sauce of successful industry clusters like Silicon Valley.

AmCham Netherlands encourages the following policy developments for innovation stimulation in the Netherlands:

INVEST MORE IN EDUCATION, TALENTS AND SKILLS.

Aim for excellent universities with excellent research infrastructures. Encourage and finance more applied research and ensure that incentives work. Academics should be rewarded not only on the number of research publications but also the quality of teaching and their eventual entrepreneurship capabilities. Encourage academics to pursue a part of their income with an entrepreneurial activity in the real world. Support more incubator initiatives like YES!Delft within institutions of higher learning. Encourage students to pursue internships abroad. Teachers in primary and secondary schools should have more of their remuneration based on their teaching qualities. Reward a good teacher - it pays off!

ENSURE THAT THE CONDITIONS FOR BUSINESSES ARE CONDUCIVE FOR INNOVATION- LESS RED TAPE AND SUFFICIENT TAX AND OTHER INCENTIVES FOR SMALL INNOVATIVE COMPANIES.

Business cannot operate in a vacuum. The national and supranational (EU) entrepreneurial eco-system matters - the capital markets, patent laws (the single EU patent), labor and tax regulations, etc. Selecting key industry areas on which to focus economic and innovation policy is merely backing the winners of today and should be avoided. We cannot know in which sectors the country will be earning its keep in 10-15 years time.

The role of government is to create non-discriminatory generic policy that is supportive of anyone with an innovative idea and entrepreneurial talent. They may be existing companies but also may be manufacturing or service enterprises that have still to see the light of day. Care should be made that any innovation subsidies goes to those that need them - small innovative startups and younger companies that demonstrably need the funding - and not

to projects of established companies where the R&D investment would have taken place anyway. Bankruptcy laws should be sufficiently supportive of new innovative businesses failing and encouraged to start again. Knowledge immigrants are essential to promote the needed cognitive diversity within successful innovation teams. A reduction of red tape and ensuring sufficient tax incentives for innovation and promoting a competitive capital market are what is needed for the country to develop the comparative advantages and skills it needs to ensure its future prosperity.

TAXATION

When making international location choices, a country's tax climate is a crucial element for foreign investors. AmCham believes that one of the most important factors in making the Netherlands a location of choice is for the Dutch tax system to be consistent, predictable and simple. There have, however, been several changes to the Dutch Corporate Income Tax Act in recent years and there are certain proposed changes to the rules for taxation of group interest that have created a level of uncertainty about the future tax system in the Netherlands. The attractiveness of the Netherlands as an international location of choice is, in the view of the AmCham, improved through implementation of the following priorities.

PRIORITIES

A. MAINTAIN AND ENHANCE THE INNOVATION BOX.

B. ENSURE STABILITY, CONSISTENCY, PREDICTABILITY AND SIMPLICITY IN TAX LEGISLATION.

C. SIMPLIFY THE EXISTING INTEREST DEDUCTION LIMITATION RULES TO INCREASE CLARITY AMONG THE BUSINESS COMMUNITY.

D. HAVE TAX LOSSES CARRIED FORWARD INDEFINITELY

EXPLANATORY REMARKS

MAINTAIN AND ENHANCE THE INNOVATION BOX

AmCham would like to compliment the Dutch government on its efforts to establish and further improve the innovation box (and its predecessor the patent box). Since 2007, the provision has become more and more attractive.

AmCham believes that the objective of stimulating innovative activities in the Netherlands can be further promoted by extending the benefits of the innovation box to companies that carry out research and development activities for the account of others (so-called contract R&D). One mechanism to achieve this could be the introduction of a research and development credit, which can be off-set against the corporate income tax. Other European countries have successfully introduced comparable rules. Their examples and experience may be used to successfully introduce such measure in the Netherlands

ENSURE STABILITY, CONSISTENCY, PREDICTABILITY AND SIMPLICITY IN TAX LEGISLATION

The recent amendments to the participation exemption and the innovation box although very positive, are only the beginning of the positive news required to continue to attract the business community to the Netherlands. Unfortunately, there have been several changes to the Dutch Corporate Income Tax Act in recent years (notably regarding restrictions on interest deductions) and certain proposed changes regarding taxation of group interest that have created uncertainty about the tax system and about the positions taken by the Dutch Revenue in individual cases. This may have a chilling effect on US companies wanting to invest in the Netherlands. Therefore, AmCham urges the Dutch government to refrain from making any further far-reaching amendments in Dutch tax legislation, with the exception of the amendments suggested in this paper. Also AmCham suggests abolishing complicated rules that resulted in significant

“red tape”, but that have not resulted in relevant additional tax income. An example of such rule is the packaging tax.

SIMPLIFY THE EXISTING INTEREST DEDUCTION LIMITATION RULES TO INCREASE CLARITY AMONG THE BUSINESS COMMUNITY

In recent years the Netherlands has created complicated detailed interest deduction rules, addressing various factual situations where it was considered appropriate to disallow the deduction of interest expenses. Although the AmCham is not opposed to rules limiting the deductibility of excessive interest expenses, AmCham believes that new rules, based on the following principles, should result in a stable and simple regime that is attractive for foreign corporations:

- third party interest should always be deductible;
- acquisitions from third parties should not be covered by a limitation on the deductibility of interest;
- the limitation on the deductibility of interest should only apply to interest on intra-group loans to the extent the debt-to-equity ratio of 3:1 is exceeded; and
- eliminate the unnecessary duplication and complexity in the thin cap rules in relation to acquisitions (the “Goodwill Gap”).

Given the significant adverse consequences for U.S. investors in the Netherlands and AmCham's concern about the negative reactions from foreign jurisdictions in relation to an interest box regime, AmCham strongly believes that an interest box should not be reconsidered.

HAVE TAX LOSSES CARRIED FORWARD INDEFINITELY

The indefinite loss carry forward combined with the three year carry-back rule has been an attractive feature of the Dutch tax system for many years. In light of the current economic climate, reinstating the ability for a loss carry forward to be applied for an indefinite period would create much needed certainty in these unpredictable times.

NEW MEMBERS



CORPORATE

BALL PACKAGING EUROPE OSS B.V.

Parallelweg 1
5349 AD Oss
P.O. Box 40
5340 AA Oss

VOTING MEMBER

Mr. Peter Kauw, Plant Manager

ASSOCIATE MEMBER

Mr. Marco van Grunsven, Financial Manager

DELL B.V.

Transformatorweg 38/72
1014 AK Amsterdam
P.O. Box 59399
1040 KJ Amsterdam

VOTING MEMBER

Mr. Renzo Taal, Managing Director

ASSOCIATE MEMBER

Mr. Mark Kampstra, Finance Director

DESSO B.V.

Taxandriaweg 15
5142 PA Waalwijk
P.O. Box 169
5140 AD Waalwijk

VOTING MEMBER

Mr. Stef Kranendijk, CEO

ASSOCIATE MEMBER

Mr. Alexander Collot d'Escury, CCO

RGA INTERNATIONAL REINSUR- ANCE COMPANY LIMITED

Gustav Mahlerlaan 50 B
1082 ME Amsterdam

VOTING MEMBER

Mr. Olav Cuiper, Senior Vice President - Head
of Europe & South Africa

RUBIA NATURAL COLOURS

Prins Reinierstraat 10a
4651 RZ Steenberg

VOTING MEMBER

Mr. Rudolph de Jong, Director of Marketing &
Sales

ASSOCIATE MEMBER

Mr. Anco Sneep, Director

SODEXO NEDERLAND B.V.

Rivium Boulevard 2
2909 LK Capelle aan den IJssel
P.O. Box 29100
3001 GC Rotterdam

VOTING MEMBER

Mr. Henk Leijten, Director Food Services

ASSOCIATE MEMBER

Mr. Hans Rijnierse, CEO

UTC FIRE & SECURITY - GLOBAL SECURITY PRODUCTS

Kelvinstraat 16
6003 DH Weert

VOTING MEMBER

Mr. Serge Coppens d'Eeckenbrugge, Country
Manager

ASSOCIATE MEMBER

Mr. Paul Swinckels, Business Development
Manager

WLP - LAW

Antonio Vivaldistraat 52
1083 HP Amsterdam

VOTING MEMBER

Mr. Neill E. André de la Porte, Partner

ASSOCIATE MEMBER

Mr. Richard Smeding, Partner, Tax Lawyer

CONTRIBUTING

KROES ADVOCATEN IMMIGRATION LAWYERS

Keizersgracht 62
P.O. Box 14600
1001 LL Amsterdam

VOTING MEMBER

Mr. Sander Groen, Attorney at Law

TURN LEGAL

Ptolomaeuslaan 58
P.O. Box 2555
3500 GN Utrecht

VOTING MEMBER

Mr. Adriaan Rothfus, Partner



01000000

Cross-border EBP solutions

As a multinational leader in business, you're likely over 25 years of doing business across the globe, meaning there's little or no existing company infrastructure. Our step-by-step process challenges you, our cross-border EBP solution provider, to consider how far, wide, and deep you can be internationally.

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- One global customer experience
- Global marketing mix
- Global over 25 countries

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= exact

And it all comes together.

Minutes of the Annual General Meeting of the American Chamber of Commerce in the Netherlands

held at Kasteel De Wittenburg, Wassenaar – May 25, 2011 at 11:15 a.m.



Approximately 70 persons were present including 31 voting members (constituting a quorum).

1. WELCOME BY THE PRESIDENT

Raoul Oberman, Chamber President, opened the meeting at 11:15 and welcomed all present.

2. APPROVAL OF THE MINUTES OF AGM OF MAY 19, 2010

The minutes were approved as written

3. GENERAL REMARKS BY THE PRESIDENT

Raoul Oberman reflected on the past year. Some 30 events were organized by the Chamber during 2010 with 1650 members and guests attending. The Brabant Chapter was launched in the year under review. It and the Rotterdam Chapter are now fully operational. Looking forward the AmCham will be celebrating its 50th anniversary with some high profile events after the summer of 2011.

The Rotterdam Chapter has a new chairman - Roland Teixeira de Mattos (GE) has succeeded Godefroy Motte (Eastman Chemical) in this position. In March of this year the Tax Committee chair was taken over by Wouter Paardekoper (Baker & McKenzie) - succeeding Mark Doets (Anthos). The Tax Committee continues a constructive dialogue with the Ministry of Finance. The Pharmaceutical Committee (headed by Roland Zegger, Abbott) continues to profile itself in the country's healthcare sector with its active promotion of innovative pharmaceuticals as an important investment in public health. The Young Professionals group is maintaining an active schedule of networking and instructive events. The HR Committee/People Platform and Legal Committee meet regularly to monitor developments in a national and EU context and contribute to the Policy Committee's work in developing the Chamber's Priority Points. The Diversity Committee continues to be active and supportive of diversity in the workplace. The Marketing & Membership Committee supports AmCham's functioning in member acquisition.

The Chamber's mentoring and internship program (Champs on Stage) has now been rolled out in Rotterdam, Amsterdam and The Hague. 1210 students from 14 schools are involved in this program to raise the

numbers of school leavers with a starting qualification. 430 companies and organizations are participating along with 375 company mentors. As of July 2010 the program was further developed independently of AmCham as a foundation.

The membership numbers fell slightly from a total of 721 end 2009 to 712 at the end of 2010. AmCham's meeting rooms were let out on 40 occasions. All members are encouraged to look into the possibilities these facilities may have for their companies.

4. FORMAL APPROVAL OF FINANCIAL STATEMENTS 2010

Jan Oosterveld, AmCham's treasurer, outlined the financial statements of the Chamber. The financial situation of the Chamber is good, although a small loss was incurred during the year under review. Overall, though, the situation is sound resulting in a clean signature from PwC, the AmCham's auditors.

Jan stated that the membership numbers must be increased or dues themselves increased to maintain a sound financial structure. The present accommodation of the Chamber is too large for the numbers working there and the rent is imposing a considerable burden on the Chamber's finances. The lease will expire in five years and, pending negotiations with Schiphol Real Estate, a decision must be made then to relocate the offices or not. The AmCham staffing was 4.3 fte for 2010 and will be maintained at that level during 2011.

The financial statements presented to the AmCham Board before the AGM, as audited and distributed to members preceding this meeting, were approved.

5. RECOGNITION OF DEPARTING BOARD MEMBERS

On behalf of the Chamber Raoul Oberman extended thanks to all departing Board members (Thomas Woldbye, Bill Connelly, Chirfi Guindo, George Yip, Mark Doets, Amandus Lundquist and Jan Oosterveld) for their support and active participation in the Board. Raoul himself will also be leaving the Board.



6. ELECTION OF DIRECTORS

In accordance with the proposals of the Committee on Nominations, the following person was duly re-elected to the Board for a second additional three year term of office:

Ben Noteboom, Randstad Holding

The following were duly re-elected for a first additional three year term of office:

Brenda Childers, Amsterdam Institute of Finance
Coen van Oostrom, OVG Projektontwikkeling

The following were newly elected to the Board (6 non-Dutch and 3 Dutch):

Bob Drake, Nidera Handelscompagnie BV
Colin Graham, Nike EMEA
Doron Livnat, Riwal Holding Group BV
Joost van Roost, Esso Nederland BV
Gregory Tucker, AEGON NV
Mariette Turkenburg, Loyens & Loeff
Peter de Wit, McKinsey & Co.
Roland Zegger, Abbott BV
Chris Zook, Bain & Company

At this point Raoul Oberman expressed thanks to all who have supported him during his past five years as President of the Chamber. Special thanks were extended to Riëtte Blacquièrè and, with a moment of emotion, to his wife In Hee for their particular support. Raoul will be moving to Indonesia with his family in the summer to run the McKinsey office there.

Jan Oosterveld then took the floor and, on behalf of the Chamber's Board, extended heartfelt thanks to Raoul for his service to the Chamber - mentioning that Raoul's functioning was an example to many for giving back. On behalf of the Chamber, Jan presented Raoul with the Medal of Honor of the American Chamber of Commerce in the Netherlands in recognition for his exceptional services to the Chamber.

7. QUESTIONS AND ANSWERS

No questions were asked. Several members expressed thanks to Raoul for his service to AmCham.

8. CLOSE OF ANNUAL GENERAL MEETING

The meeting closed at 11:50.

9. PRESENTATION OF 2011 INVESTORS' AGENDA OF PRIORITY POINTS

Peter Mous (IBM Nederland), Chairman of the Policy Committee together with Andrew Kruseman Aretz (PwC) and Willem van Wettum (Baker & McKenzie) presented the Chamber's 2011 Investor's Agenda of Priority

Points to the members. The Priority Points are AmCham's policy suggestions to the Netherlands' government to improve the investment climate in the country. AmCham recommends three broad measures for creating a healthier environment for foreign investors:

- A. Stimulate labor flexibility through increased employability in the Netherlands.
- B. Stimulate Innovation - Implement what works!
- C. Strive to implement consistent, predictable and simple tax system.

(Full details of the presentation and explanation and expansion of above points are on the Chamber website).

THE AMCHAM BOARD OF DIRECTORS 2011/2012

Following the AGM the Board met briefly to elect its officers for the coming year. These are:

Helen Mets-Morris, President (Avery Dennison)
Freddy Boom, 1st Vice President (Citibank)
Berry Martin, 2nd Vice President (Rabobank Group)
Laurence Saul, Treasurer (Dawn Foods)
Karen Kao, Secretary (Kennedy Van der Laan)

The other members of the Board are:

Brenda Childers, Amsterdam Institute of Finance
Willem van Wettum, Baker & McKenzie
Harry van Dorenmalen, IBM Nederland
Gerard van Harten, Dow Benelux
Hans Horn, Egon Zehnder International
Godefroy Motte, Eastman Chemical EMEA
Ben Noteboom, Randstad Holding
Coen van Oostrom, OVG Projektontwikkeling
Richard Spradling, American School of The Hague
David Johnson, Nalco Europe
Frans van der Minne, Heineken
Gordon Tait, DuPont de Nemours
Lex Geerdes, Aon Group Nederland
Rob ten Heggeler, NIBC Bank NV
Bob Drake, Nidera Handelscompagnie BV
Colin Graham, Nike EMEA
Doron Livnat, Riwal Holding Group BV
Joost van Roost, Esso Nederland BV
Gregory Tucker, AEGON NV
Mariette Turkenburg, Loyens & Loeff
Peter de Wit, McKinsey & Co.
Roland Zegger, Abbott BV
Chris Zook, Bain & Company

(28 members of whom 15 non-Dutch)

THE ATTRACTIVENESS OF THE NETHERLANDS FOR THE SKILLED IMMIGRANT

The labor market for highly skilled personnel is not restricted by international borders. In order to strengthen the Dutch knowledge economy and its level of innovation, the Netherlands must look abroad for talented personnel. Yet, the Netherlands is not alone in this search for talented foreign nationals. Other Western countries have a similar need for highly skilled migrants. More and more, industrialized countries are amending admission policies to attract the highly skilled. Conscious of these international developments the Dutch government commissioned SEO Economic Research to analyze the behavior of the highly skilled immigrant. What moves highly skilled migrants? How attractive is the Netherlands in comparison to other Western countries? This article is a summary of the SEO report.

SEO Economic Research addressed the above questions in the report 'Wat beweegt kennismigranten'. The analysis involves the following:

- An overview of theoretical and empirical research into motives of migration, with a specific focus on the factors and mechanisms relevant to highly skilled migrants.
- A survey among highly skilled immigrants currently living in the Netherlands. On the one hand, this helps the researchers verifying the findings in the literature. On the other hand it also provides unique information about the population of highly skilled immigrants in the Netherlands.
- A survey among Dutch highly skilled emigrants. What made Dutch highly skilled nationals choose to move abroad and how likely are they to return?
- The construction of an index measuring the competitive strength of countries in attracting highly skilled migrants. Such an index allows for comparison of the Netherlands with ten other Western countries in the 'competition for talent'.
- An exploration of possibilities for calculating reliable, recent and internationally comparable statistics of migration flows (net migration) for multiple countries.

HIGHLY SKILLED MIGRANTS COME IN A VARIETY OF FLAVORS

There are various types of highly skilled migrants. Some are temporary visitors, while others wish to settle permanently. For some the purpose

of migration is an academic study, although for most migrants labor is the main motive. Several labor migrants migrated to the Netherlands on their own initiative, whereas others are sent out by their employers abroad. As the group of highly skilled migrants is diverse, migration mechanisms and motives will differ from migrant to migrant. To get an analytical grip on this heterogeneous mix, typologies like the one offered by Dr. Sami Mahroum (presently at INSEAD) in an article published in 2000 are useful. Mahroum distinguishes five types of highly skilled migrants:

- **Accidental tourists:** these are managers and executives for whom the decision to migrate is often temporary and initiated by their employers. Migration is motivated by intra company transfers, driven by mergers or expansion or part of career development plans.
- **Economy-class passengers:** engineers and technicians are dubbed 'economy-class passengers', because they move to destinations where their skills are most needed and best rewarded. Loyalty to companies or countries is at best secondary.
- **Explorers:** Mahroum uses this term to describe the group of highly skilled entrepreneurs. These migrants are valuable as they bring new businesses, capital and ideas. Explorers are attracted by supportive government policy, flexible labor markets, low taxes, availability of (venture) capital and the openness of markets.
- **Pilgrims:** academics and scientists are attracted by the type of work, academic freedom and working conditions. This includes the reputation of a discipline or area of research, and the international prestige of an institution.

- **Passengers:** students hitchhike via existing networks of governmental, intergovernmental and inter-institutional policies. Reputations of universities are important, as are practical issues like grants and student housing. Students can be an easy route to obtaining highly skilled personnel.

The Mahroum typology is certainly not a fully comprehensive framework, but it does offer a useful point of departure for policy makers. Policy makers and other stakeholders need to identify and target specific groups of highly skilled migrants with their policies. Too general policies are unlikely to be successful; every type of migrant demands a tailor-made policy. While taking notice of the diversity among migrants, the SEO study uses only one definition of highly skilled migrants: a highly skilled migrant is every migrant with an education level qualified according to the norm ISCED 5 or ISCED 6. This is an OECD formulated norm to compare differing educational systems; basically ISCED5 and ISCED6 refer to university levels of education. One should note that this definition differs from the operational definition employed by Dutch authorities. The Dutch Naturalization and Immigration Services (IND) identify highly skilled migrants by using a salary criterion.

SALARY AND CAREER OPPORTUNITIES MOVE HIGHLY SKILLED MIGRANTS

Whether a highly skilled person wishes to migrate (and to which country) depends on many factors. Academic literature provides a wide array of theories trying to explain the decision making process. Most of these theories are either rooted in the economic or in the sociological doctrine. The economic rationale states that people will migrate to the country that maximizes their individual utility, or the welfare of their family. If there is no such country, they will not migrate. Traditionally these theories focus on wage differentials. More recent research also addresses the role of multinational expansion policies in relation to flows of migration.

In the sociological doctrine network theories are brought up regularly to explain migration behavior. In such theories the preexistence of a large group of immigrants is often mentioned as an important determinant in the choice of destination. Non-economic literature focusing on highly skilled migrants argues that academic networks or so-called 'centers of expertise' (niches of experts and leading institutes) constitute powerful drivers. Empirical research reveals that many of these theories are able to explain the decision-making process to some extent. None of the theories is fully explanatory. Nevertheless, empirical research suggests that, in general, highly skilled migrants are mainly driven by career and financial motives. For researchers the academic reputation and the knowledge intensity of the economy are essential as well. This goes without saying - a position at a prestigious research institute or university will boost the career of any researcher.

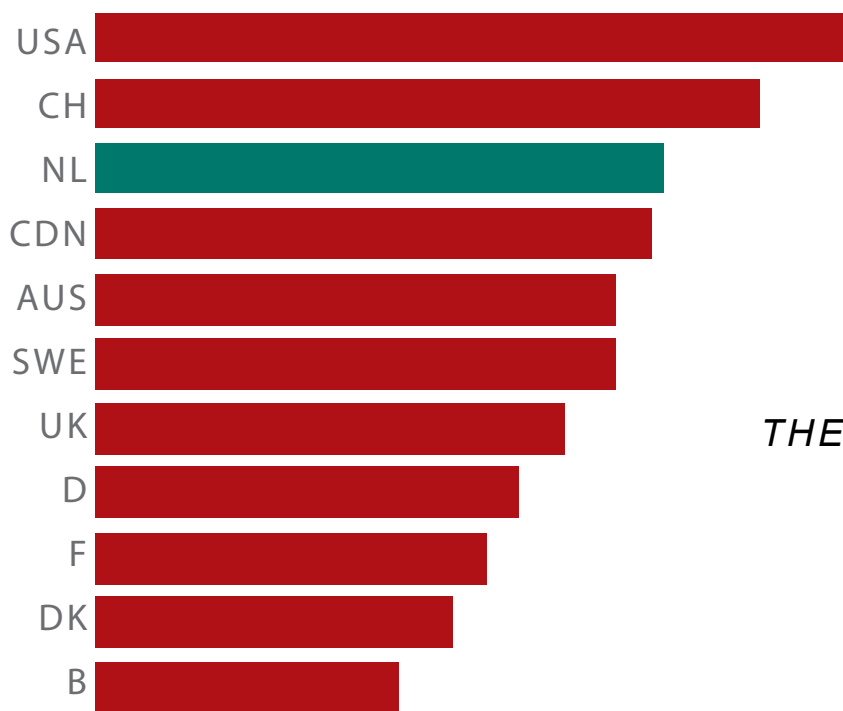
NATIONAL ADMISSION POLICIES HAVE LITTLE IMPACT ON THE CHOICES OF HIGHLY SKILLED MIGRANTS

The role of admission policy in recruiting highly skilled migrants is limited. Obviously, admission policy is effective in regulating the total number of migrants, as certain groups can easily be fended off by targeted policies. But whether specific admission policy makes a country more attractive to highly skilled migrants is a very different matter. For example, in many countries, including the Netherlands, the employer is responsible for arranging the necessary permits. Highly skilled foreign nationals are admitted more or less automatically if they already have a job contract before entering with a sufficiently high salary or in the field of research. This system is referred to in literature as a demand-driven regime. The attractiveness of the admission policy is not a relevant factor in the migration decision of this large group. Thereby, European law guarantees the free movement of people between member states, so for EU citizens, admission policy is also irrelevant.

Some people question whether the Netherlands should switch to a supply-driven regime like Canada, Australia and recently the United Kingdom employ. In supply-driven systems potential migrants themselves report to an immigration authority. This authority decides, in most cases on the basis of a point system, whether the migrant has sufficient economic potential to be admitted. Proponents of such a system argue that it will attract additional highly skilled migrants and bring these countries an advantage. However, this relation between regime type and the inflow of highly skilled migrants has no empirical support. In addition, supply-driven regimes also have disadvantages. Australia and Canada experience high unemployment rates among highly skilled migrants. For those who do find employment the danger of underutilization of skills exists when the highly skilled migrant accepts a low skilled job. On the other hand, supply-driven regimes might be effective in attracting students. It offers an opportunity for recent graduates to explore their chances on the labor market. All in all, there is no superior system. As argued before, admission policies should be fitted to the demands of different types of migrants. One can argue that the idea of a mix of demand-driven and supply-driven policies is currently in effect in the Netherlands. The general system is demand-driven. However, for entrepreneurs and students, supply-driven regulations apply.

HIGHLY SKILLED MIGRANTS IN THE NETHERLANDS ARE INDEED DRIVEN BY SALARY AND CAREER OPPORTUNITIES

SEO Economic Research conducted a survey among 1200 highly skilled migrants from non-European countries currently staying in the Netherlands. This survey revealed that indeed salary and career motives were the main drivers of migration. An appealing living environment plays a role as well. Almost half of the survey population originates from Asia,



THE SEO INDEX: THE NETHERLANDS LEADING THE PURSUIT GROUP

11% from North America. The migration decision is mostly initiated by their employer, especially in the case of Asian migrants. But the explicit choice for the Netherlands instead of other country options is mainly a private decision. Highly skilled migrants are relatively young (40% are 30 years or less) and dominantly male (75%). When asked about their opinion about the Netherlands on various factors (labor market, living environment, quality of universities and research institutes) overall scores are positive (which may partly be due to self-selection). The United States is most often mentioned as prime competing country. Other competitors are Germany and the United Kingdom, and to a lesser extent Canada and Australia. About 25% of the respondents wish to extend their permits, 15% are pursuing a permanent settlement permit, while 40% are still undecided.

25% OF HIGHLY SKILLED DUTCH MIGRANTS ABROAD WANT TO RETURN (SOONER OR LATER)

In addition to the survey among foreign highly skilled migrants staying in the Netherlands, SEO Economic Research also surveyed more than a thousand highly skilled Dutch citizens living abroad. Dutch emigrants are significantly less positive about the Netherlands. This is no surprise as such a survey involves obvious selection effects. Among the Dutch highly skilled emigrants, the Netherlands is favored in terms of proximity to friends and family, the academic climate and the quality of the knowledge economy. Their new home countries are preferred when it

comes to living environment and 'way of life'. Nevertheless, about a quarter of these highly skilled migrants are planning to re-migrate at some point in the future. About 40% will not return, among them many elderly.

Measuring the competitiveness in attracting highly skilled migrants To analyze the competitive strength of the Netherlands in attracting highly skilled migrants SEO Economic Research has developed an index comparing 11 countries. The selected countries for the index are: Australia, Belgium, Canada, Denmark, France, Germany, Switzerland, Sweden, the United Kingdom and the United States. The index presents a ranking based on 27 underlying indicators. These indicators are bundled in four main domains: (i) work and career, (ii) knowledge infrastructure, (iii) living environment, and (iv) admission policy. The figure shows the ranking of the countries on the competitive strength index. The United States and Switzerland outrank the rest and are at the head of the pack. The Netherlands has a strong position in what the researchers call the pursuit group (a description used in bicycle racing) which further consists of Canada, Australia and Sweden. The competitive strength of the Netherlands is based on a well-performing labor market, a high level of income per capita (implying high wages) and the good reputation of Dutch universities and research institutes. In addition, the Dutch admission policies for highly skilled migrants are very liberal. The ranking of the Dutch living environment is average.



Etc...

DE-CARBONIZATION IN THE EU - AN EMISSION IMPOSSIBLE? WILL IT BE DELIVERED?

Answer: probably not. Why? One reason for scepticism stands out. Over the last 20 years there has been only a very slight reduction in carbon emissions during the boom years, and the only significant cuts have been caused by the collapse of growth in recessions. The reductions have been nowhere near the level required for the EU to get on the trajectory which will lead to 80% cuts (compared to a 1990 baseline) by 2050, which is the agreed target.

Another reason is: it's proving too expensive. The public has an increasingly low acceptance rate for expensive carbon cuts. One estimate (made for the Copenhagen Consensus Center) puts the EU's 20/20/20 (20% reduction in GHG by 2020) policy at \$250 billion. And what will it achieve? Standard climate models show that, by the end of this century, the EU's approach will reduce temperature rises by approximately 0.05°C – almost too small to measure.

There are better ways to spend such sums for EU benefit.

THINK TWICE BEFORE GIVING MONEY TO THE NEXT

DISASTER FUND:

Why we should not donate money to Japan's disaster - or Haiti's for that matter.

Individuals did it; local clubs, churches, and personnel organizations of all sorts did it. Faced with the horrific news and pictures from Japan, everybody wanted to do something, and the obvious thing to do was to donate money to some relief fund earmarked for that particular disaster.

The problem is: earmarking funds is a really good way of hobbling relief organizations and ensuring that they have to leave large piles of money unspent in one place while facing urgent needs in other places. We are all better at responding to human suffering caused by dramatic headline and CNN breaking news emergencies than to the much greater loss of life from ongoing hunger, disease and conflict. That often results in a mess of uncoordinated NGOs parachuting into emergency areas with lots of good intentions while a strategic official sector response would be much more effective. Meanwhile, the smaller and less visible emergencies where NGOs can do the most good are left unfunded. In the specific case of Japan, there's all the more reason not to donate money. Japan is a wealthy country which is responding to the disaster, among other things, by printing hundreds of billions of dollars' worth of new money. Money is not the bottleneck here: if money is needed, Japan can raise it.

On top of that, it's extremely unclear how or where many organizations intend on spending the money that they're raising for Japan - usually we're just told that the money "will help survivors and victims get needed

support," or something along that line - which is basically code for "we have no idea what we're going to do with the money, but we'll probably think of something."

Many NGOs were created to support projects in the developing world, where lack of money is much more of a problem than it is in Japan. Few development economists and other experts would be convinced that the NGO model can or should be applied directly to Japan. That said, it's entirely possible that organizations like the Red Cross or Save the Children will find themselves with important and useful roles to play in Japan. It's also certain that they have important and useful roles to play elsewhere. So do give money to them - and give generously! And give money to other NGOs, too, like Doctors Without Borders (MSF), which don't jump on natural disasters and use them as opportunistic marketing devices. Just make sure it's unrestricted. The official MSF position is exactly right:

The ability of MSF teams to provide rapid and targeted medical care to those most in need in more than 60 countries around the world – whether in the media spotlight or not – depends on the generous general contributions of our donors worldwide. For this reason, MSF does not issue appeals for support for specific emergencies and this is why we do not include an area to specify a donation purpose on our on-line donation form. MSF would not have been able to act so swiftly in response to the emergency in Haiti, for example, if not for the ongoing general support from our donors. So we always ask our supporters to consider making an unrestricted contribution.

By donating an amount in unrestricted funds to MSF - or similar organization - some of it might go to Japan; all of it will go to areas where it's sorely needed. This is a lot better than trying to target money at whichever disaster might be in the news today.

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AMCHAM EVENTS

SEPTEMBER 8, 2011 (18:00)

ROTTERDAM CHAPTER ANNUAL BOAT CRUISE

Powered by the Port of Rotterdam

Location: Flagship "de Nieuwe Maze", Rotterdam

OCTOBER 6, 2011 (12:00)

ANNUAL TRANSFER PRICING SEMINAR

Powered by Deloitte

Location: Steigenberger Kurhaus Hotel, the Hague

NOVEMBER 9, 2011 (16:00)

BRABANT CHAPTER EVENT: DIALOG

Powered by the Dutch Institute for Advanced Logistics

Keynote speaker: t.b.a.

Location: Dinalog, Breda

YOUNG PROFESSIONAL EVENTS

Events organized by the Young Professionals Committee. AmCham and the Young Professionals group strive towards the reinforcement of a common cultural and economic heritage between the United States and the Netherlands.

JUNE 24, 2011 (18:30)

ANNUAL BARBEQUE PARTY

Location: Pulitzer Hotel, Amsterdam

AMCHAM ANNIVERSARY EVENTS

AmCham will celebrate its semicentennial in 2011 with a series of special events. Please make sure to already block below dates and times in your busy schedule to avoid any conflict. These are events which you should not miss as AmCham Member.

OCTOBER 13, 2011 (15:30)

YOUNG LEADERS INSPIRATION EVENT

GREEN: FROM JUST A COLOR TO THE ULTIMATE WAY TO LEAD YOUR COMPANY – AN EVENT TO CHANGE THE MINDSET OF FUTURE LEADERS

Organized by the YP Semicentennial Taskforce

Speakers: Stef Kranendijk, CEO of DESSO; Prof. dr. Michael Braungart, Cradle-to-Cradle guru; Coen van Oostrom, CEO of OVG Real Estate; Prof. dr. Rogier Dassen, CEO of Deloitte; Inka Pieter, Global Head CSR & Environmental Strategy, KLM Royal Dutch Airlines

Moderator: Harry Starren, CEO of DE BAAK-VNO-NCW

Location: Deloitte office, Maas Tower, Rotterdam

NOVEMBER 15, 2011

GRAND SEMINAR & GOING 4 GOLD DINNER

Organized by the AmCham Semicentennial Task Force

Location: Amsterdam Area

DECEMBER 13, 2011 (18:00)

WINE & CHEESE PARTY – SPECIAL EDITION

By invitation only

Location: Hotel Des Indes, The Hague

JANUARY 23 OR 24, 2012 (18:00)

GRAND ANNIVERSARY BALL

Organized by the AmCham Semicentennial Task Force

Location: The Hague





AmChamNews
WTC D-TOWER, 6th FLOOR
Schiphol Boulevard 171, 1118 BG
Schiphol
The Netherlands
Tel +31-20-7951840
Fax +31-20-7951850
office@amcham.nl
www.amcham.nl