Brain Drain and Fragile States

To claim that brain drain is bad rarely provokes a debate: more likely the suggestion will lead to heads nodding in agreement. This brief argues that a debate on brain drain is indeed needed as its negative effects are far from obvious, even in fragile states.

October 2008

The debate on brain drain, or skilled migration, has been going on for more than four decades. Opinions on the desirability of migration flows from developing countries to developed countries are highly diverse. The dominant view has been that rich countries are poaching the best and the brightest from poor countries that desperately need highly skilled people to further their development process, thereby robbing them of their prospects for development.

Today, other views on the brain drain have emerged, which are more hesitant to conclude that its impact on developing countries is solely negative. They stress benefits such as remittances, increased trade and investment links, and so-called brain gain effects. Indeed, some argue that the positive effects may very well outweigh the negative ones.

However, the prevailing perspective remains one of regarding the emigration of highly skilled people from developing countries as negative and stopping such migration as positive. Consequently, policy options aimed at ethical recruitment, retention and return have entered centre stage. Although such policies may appear to be morally superior, they have in fact been largely ineffective and may be counterproductive in increasing skills levels in developing countries.

Decisions by highly skilled migrants to leave their countries of origin are related to the evaluation of a set of pull and push factors. Jobs, expectations of higher salaries, better working conditions, training etc. pull migrants away, while a lack of job opportunities, poor salaries, the low quality of basic public services, political and other forms of suppression, and conflict etc. push migrants out. In fragile states characterised by low levels of capacity, usurpatory political leadership, violent conflict etc., push factors are strong and, in extreme situations, migration is not voluntary but forced.

POLICY RECOMMENDATIONS

Technical assistance:

Temporally deploy skilled foreigners to secure the skills needed to produce reforms in fragile situations.

'Open door' policy:

Facilitate the re-entry of skilled migrants back into the host country after a period in their home country to mitigate migrants' fears of losing legal residence rights.

Improving conditions for those who stayed behind:

Secure adequate salary levels (and regular disbursements) for skilled people who remain behind so that they stay in their profession. This is a prerequisite for improvement in performance, as well as recruitment and retention.

The closer a country is to extreme situations of fragility, the more irrelevant current policy approaches become. When the highly skilled are not 'pulled' by job opportunities but 'pushed' by violent conflict or by political, religious or ethnic repression, ethical recruitment policies in destination countries and retention programmes in home countries become impotent. However, as fragile states move away from

DIIS POLICY BRIEF

extreme situations toward ones in which fragility is caused not by conflict but by a lack of protection for property, basic public services, essential infrastructure etc., policies with long-term effects aimed at ensuring a growing pool of highly skilled workers become more relevant. There are thus different sets of policy recommendations for different situations of fragility. The box (p. 1) provides specific policy recommendations for fragile states in post-conflict situations. More general and long-term policy recommendations are discussed in the text.

WHAT DO THE DATA TELL US?

Although empirical evidence is starting to emerge, it is still of poor quality. Quantitative data sets have recently been made available. However, these data rely on many assumptions and cover a limited number of years. Consequently, empirical evidence remains too poor to be able to draw any clear policy conclusions. The data presented in this brief should be interpreted with this in mind. Table 1 (available at www.diis. dk/braindrain) presents the latest available data on

the brain drain for a selected group of poor and fragile states.

ARE BRAIN DRAINS IMPORTANT?

The debate over brain drains tends to assume that the migration of highly skilled workers is closely correlated with low levels of highly skilled people in poor and fragile states, in other words, that brain drains result in low levels of highly skilled workers in poor and fragile states. This is a specious assumption.

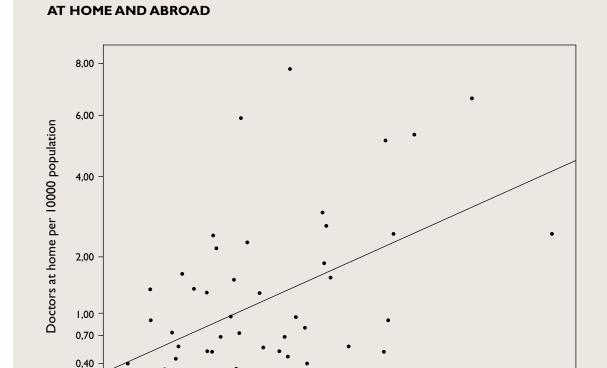
Using doctors as a proxy for the highly skilled, Figure 1 plots domestic doctors at home against doctors working abroad for the group of countries presented in Table 1. The simple correlation is clearly positive – a high number of doctors abroad is associated with a high number of doctors at home. A recent study using a different dataset covering 53 African countries reaches a similar result for doctors and nurses alike. There are three possible explanations, which are not mutually exclusive: 1) the presence of more domestic doctors is driving greater emigration; 2) emigration is somehow increasing the

R Sq Linear = 0,254

0.60

0.70

0.50



0.10

0.20

Doctors abroad per 10000 population

0.30

0.40

FIGURE 1: SIMPLE CORRELATION BETWEEN DOCTORS PER CAPITA

0,20

supply of domestic doctors (the brain gain effect); or 3) unobserved country factors are simultaneously stimulating both more emigration of doctors and an increased number of domestic doctors. Regardless of which of these explanations (or combinations thereof) are at play, Figure 1 makes it clear that the low level of doctors in poor and fragile countries is not to be explained by the number of doctors that have left these countries. In other words, it is not at all clear that brain drain and low numbers of highly skilled people in poor and fragile states are correlated.

The high rates of brain drain (percentage of highly skilled abroad) in many countries conceal very low absolute numbers. For example, by one estimate, 63% of Liberia's doctors have migrated. In raw numbers this amounts to 126 doctors. In other words, Liberia, with its three million people, has been able to support the training of no more than around two hundred doctors over a period of some forty years. With or without migration, Liberia will continue to have low numbers of highly skilled people unless more Liberians start receiving tertiary training.

Internal migration is likely to be of greater significance for the lack of highly skilled people in rural and deprived areas in poor and fragile states. Few highly skilled people tend to come from or go to these areas: instead they are concentrated in larger urban centres. Moreover, in addition to rural-to-urban migration patterns, countries with a vibrant private sector are likely to experience public-to-private sector movements as well. Thus, for most poor and fragile states, ensuring an appropriate internal distribution of highly skilled people at home is more relevant than focusing on the number of highly skilled citizens abroad.

BRAIN DRAIN OR BRAIN GAIN?

Are brain drains detrimental to development, or can they positively affect development? The question is hotly debated. Early research on brain drains has argued that, since the emigration of the most talented workers reduces the level of human capital, it has a direct negative impact on the sending country's economic growth. It points to several negative brain drain effects: 1) loss of returns on the investment the home country has made in the education of the migrants; 2) loss of the positive impacts the migrants would have had on their colleagues who stayed behind through stimulus, professional competition and possibilities for greater specialization; and 3) reduction of the home country's ability to create institutions, as it is the institution-builders who are most likely to leave.

Essentially, this type of research sees migration of the highly skilled as a zero-sum game, with the rich countries becoming richer and the poor countries becoming poorer. The conclusion is based on specific assumptions: 1) migrants select themselves out of the general population; 2) free international mobility of the highly skilled ensures certainty of future migration opportunities; 3) there is a complete break between the migrant and the country of origin; and 4) the migrants were or would have been fully employed in their professions in the home country. Recently, by relaxing these assumptions, approaches to the brain drain debate have shown that certain factors mitigate the negative impacts and may even result in a positive impact overall on the sending country.

Several studies suggest that, since returns to education are higher in rich countries than in poor ones, and since the opportunities to emigrate to rich countries are higher for skilled workers than for unskilled ones, more people in poor countries will invest in education when the prospect of migration is high. But even in the most 'immigrantfriendly' rich countries, immigration is associated with a host of barriers for the highly skilled wouldbe migrant, such as visa requirements, quota restrictions and points systems that assess the specific skills of the would-be migrant against the needs of the destination country. Being highly skilled is no carte blanche for emigration. Throughout the immigration process, the would-be migrant faces the possibility that his or her migration project must be abandoned. In other words, not all would-be migrants succeed, creating the possibility of a net gain - a brain gain - for the home country from migration. The reverse is true as well: limiting migration may lead to a brain drain in the sense that investment in education falls. Thus, limiting the mobility of, for example, doctors, is likely to result in fewer doctors in the long term.

Return migration – or brain circulation – can mitigate the negative effects of the brain drain. However, studies show that generally the less competent return first and that return migration for highly skilled migrants is low unless it is preceded by sustained economic growth in the home country. Thus, return migration is more a result than a trigger of development. Moreover, programmes aimed at increasing returns have proved small-scale and costly.

Income from remittances is another factor through which the brain drain generates positive effects for sending countries. Likewise, diaspora networks can mitigate the negative impacts of the brain drain. Of course, income from remittances and diaspora networks may have negative impacts too, but the positive impacts can be accentuated and the negative impacts mitigated by policy interventions (see DIIS brief on diaspora and state fragility by Peter Hansen).

DIIS POLICY BRIEF

WHAT ARE THE POLICY OPTIONS?

From the above can be derived three important lessons which should guide policy options:

- Migration is not the primary cause of the low numbers of highly skilled workers in poor and fragile countries, but only one of several factors. Indeed, it may have important positive effects.
- Migration of the highly skilled will not slow down with increasing levels of development: developed countries too experience circulation of the highly skilled. Low brain drain rates are not caused by low mobility but by large domestic pools of highly skilled workers.
- Policies aimed at erecting barriers to migration through ethical recruitment policies and preventing the migration of highly skilled workers are largely ineffective and may very well be counterproductive. Return migration programmes have proved small-scale and costly.

As the prevailing view of the brain drain focuses almost exclusively on its supposed negative impacts, policy options tend to assume the need to limit migration. However, alternative approaches exist.

In home countries, policies should aim not to restrict the migration of the highly skilled, but instead to place the emphasis on ensuring appropriate training, internal distribution and the facilitation of permanent or temporary return or migrants, as well as diaspora networks. Schemes to improve pay and conditions for the highly skilled are important but associated with caveats: paying special attention to specific areas, professions or topics is always to the expense of others.

Ethical recruitment practises in host countries may appear to be morally impeccable, but they are problematic and difficult to implement and are likely to be counterproductive. Such programmes should not be aimed at erecting barriers to migration but at treating migrants fairly.

Twinning arrangements between institutions (such as universities, hospitals and public administration) in rich countries and in poor and fragile states can help strengthen institutions in the countries of origin through the secondment of staff and short training courses.

Jon Mortensen, research unit on Trade and development www.diis.dk/njm, njm@diis.dk

More on fragile situations: www.diis.dk/fragile

DANISH INSTITUTE FOR INTERNATIONAL STUDIES

Strandgade 56, DK-1401 Copenhagen, Denmark Ph. +45 32 69 87 87 · Fax +45 32 69 87 00 · e-mail: diis@diis.dk · www.diis.dk