

Incentives to Reverse Africa's Brain Drain

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Statistics

Human capital flight from Africa is rapidly increasing. The ILO estimates that there are some **7.1 million** Africans living outside their home country. Wage levels in high-income countries are approximately **five-times** those in low-income countries for similar occupations, generating an enormous incentive to emigrate. Demand for immigrant labor, both low-skilled and high-skilled, is forecast to grow as developed countries need a young labor force in order to maintain productivity. The youth bulge experienced in many African countries is fulfilling the demand for labor in developed countries where declines in labor force are forecast. Global competition for educated workers and more sophisticated immigrant networks are facilitating the rise in immigration.

The number of highly skilled emigrants from Africa increased from 1,800 a year on average during 1960–75 to 4,400 during 1975–84 and 23,000 during 1984–87. UNECA and IOM estimate that since 1990, Africa has been losing an average of at least **20,000 professionals** (doctors, nurses, university lecturers, engineers, etc.) annually. The IOM estimates that as many as **23,000 African health professionals** leave home every year.

Skilled workers comprise more than **40 percent of all migrants** from Africa. **15 percent of Africans with a tertiary education** emigrated in 2000. The rate of skilled migration exceeds 50 percent in five African countries (The Gambia, Cape Verde, Seychelles, Mauritius, Sierra Leone), and the rate is highest in coastal countries such as Ghana, Mozambique, Sierra Leone, Kenya, Angola, and Somalia.

The negative impact of migration of skilled professionals from Africa is two-fold: expertise needed to spur and manage development is lost; and the return on investment made in education and training is also lost. UNCTAD estimates use 1979 prices to put a cash value of **\$184,000** on each African professional migrant (between ages 25 and 35). Based on the annual average of 20,000 professionals emigrating, **\$3.68 billion** in value and investment is lost annually. This problem is compounded by the fact that an estimated **100,000 expatriates** from Western nations or the developed world are employed in Africa. It costs the continent **\$4 billion annually** to pay the salaries of those foreign expatriates.

Incentives and Programs

If highly-educated Africans returned home, they could help to improve governance, improve the quality of debate on public issues, encourage education of children, and strengthen the administrative capacity of the state. Resolution of conflict, improved governance, and sound economic policies would help increase productive employment and attract skilled Africans back home. The attitude of Africans abroad toward returning home is likely to change as their countries develop and opportunities improve. In Kenya, for example, the recent election of a new president spawned a wave of return of exiles hoping to rebuild the country.

Africa's Brain Gain, Inc. (ABG) sponsors and operates a set of computer based online databases as part of its quest to combat Africa's brain drain and return intellectual capital to Africa. Ongoing online and field surveys are yielding results that inform ABG members and website visitors. One survey question asks: "What are some of the issues you would like to see addressed before you would consider returning to live in Africa? The options provided were as follows:

- ✓ Adequate salaries and benefits;
- ✓ Better work environment and working conditions;
- ✓ Adequate health and medical coverage for self and family members;
- ✓ Better equipment and facilities at my job; and
- ✓ Improved infrastructure in my home country.

Without exception, all respondents indicated that if there was a job opportunity for self and spouse and the conditions mentioned above were adequately addressed, they would return to live in Africa.

NEPAD explicitly calls for the creation of the "necessary political, social and economic conditions that would serve as incentives to curb the brain drain..." It calls for the establishment of a reliable, continental database to determine magnitude of the problem and promote collaboration between Africans abroad and those at home. The African Union has drafted a strategic framework for a policy on migration for deliberation by member states.

Experts in Africa are increasingly engaged in strategies to reverse the brain drain and retain skilled professionals at home. These include restrictive policies aimed at **delaying emigration**, such as adding extra years to medical students' training and requiring public service for a period after completion of public education. Such requirements can be evaded, however, and they are likely to discourage the return of migrants home.

Realizing the potential economic value of citizens living abroad, governments are also putting forward various **tax proposals** such as one-time exit taxes and bilateral tax arrangements requiring receiving nationals to remunerate the home country. The problem with these schemes is that it is difficult to calculate the welfare loss of high-skilled emigration and thus set an appropriate level of tax. These schemes would be difficult to enforce because the required cooperation of migrants and receiving countries would be difficult to achieve. Another approach requires increased contributions by receiving countries to the education sector in poor countries to **compensate** for their training of emigrants and improve qualifications of workers.

Another strategy under consideration is the adoption of international agreements by developing nations under which **wealthy countries pledge not to recruit skilled people** from developing countries. Because of labor shortages in nursing, for example, industrialized nations have embarked on massive international recruitment drives for young workers, and they have relaxed criteria related to labor-market testing and job offers. The dominant economic paradigm makes it increasingly difficult to restrict the free movement of skilled labor. The international community needs to pressure developed nations to modify existing policies on the immigration of professionals from developing countries. In the UK, for example, a code of practice has been established that restricts the active solicitation of health care professionals from developing countries. Another approach encourages receiving countries to increase their investment in sectors in which they lack skills, rather than "raiding" those skills from poor countries.

Decisions to migrate are often made with inaccurate information about the costs, such as exploitation and abuse. Emigrants' lack of information often enables labor recruiters to capture the lion's share of the rents generated by constraints on immigration and imperfect information. Origin countries with effective public sector institutions might consider the **regulation of**

recruitment agents to limit rents and improve transparency. By providing **authoritative information** on migration opportunities and risks, governments can help avoid unfortunate, costly-to-reverse migration decisions and limit the abuse of vulnerable migrants.

The domestic policy environment is critical to productive return. Both African and receiving countries can help facilitate return through **changes in regulation**. Allowing dual citizenship is becoming increasingly common, and African countries should eliminate any rules that prevent emigrants from owning property back home. African citizens should be protected from losing their status if they leave for a relatively limited period of time. Receiving countries can also allow returning migrants to benefit from the rights they acquired during their work abroad, such as pensions, health insurance, and disability programs. African origin countries require effective institutions to provide such services, however, and these arrangements need to be negotiated between origin and receiving countries.

African professionals also need **job opportunities** to return to. In many African countries, educational institutions are poorly funded and resourced, while there are few private sector jobs. Governments in other parts of the world are encouraging skilled workers to stay by improving working conditions in public employment, providing research facilities, and giving incentives for research. Such programs, however, require substantial resources. Africa's share of investment in **research and development** is only 0.5 percent of the global total, and governments spend very little on specialized areas such as **science and technology**. The continent desperately needs universities devoted primarily to research.

Some programs to counter the brain drain involve **repatriation**, the physical relocation of expatriate Africans either to their home countries or elsewhere on the continent. A major limitation of such operations is the high cost. Expatriates may wish to be repatriated with their entire families, and they may request salaries comparable to what they earn in their host countries, along with up-to-date technological resources. The Research and Development Forum for Science-Led Development in Africa (RANDFORUM) works to repatriate African professionals and intellectuals by identifying overseas-based Africans interested in returning home to offer their skills. Another RANDFORUM project aims to relocate professionals from "distressed countries" to where they can be productive. Their skills are utilized elsewhere and they are returned once the situation in their countries normalizes.

IOM operated the Return and Reintegration of Qualified African Nationals (RQAN) program from 1983 to 1999. Through it, over 2,000 highly skilled and experienced African nationals were assisted in their professional return and reintegration to 41 countries.

While past IOM programs focused on permanent relocations, they are now evolving to cater for the needs of Africans who prefer to remain in their new countries. Based on the lessons learned from RQAN, in 2001 IOM launched a new program: Migration for Development in Africa (MIDA). MIDA is an institutional capacity-building program that aims to develop the potential synergy between the profiles of African migrants and the demand from countries, by facilitating the transfer of vital skills and resources of the African diaspora to their countries of origin. Through MIDA, IOM works with participating African countries, host countries and the diasporas to implement activities in the following areas: Small-scale enterprise development; Dialogue and migration policy options; Remittances management; Information campaigns; Skills transfer; Assessment surveys; and, Database development. Diaspora are offered several options for participation: **virtual/tele-work; short-term assignments; and long-term return.**

UNDP operates the Transfer of Knowledge Through Expatriate Nationals (TOKTEN) project promoting **temporary return**, which is often easier to achieve. Through TOKTEN mechanism, expatriate professional nationals, often motivated by a desire to play a role in the development process of their country of origin, volunteer their services, for short term consultancy assignments (three-weeks to three-months) in their country of origin. Since the program's inception in 1997, more than 5,000 TOKTEN volunteers have completed assignments in 49 developing countries in a wide spectrum of fields. Nearly all areas are covered, from public administration to management of enterprises, from agricultural research to computer technology.

Another popular strategy involves **transferring skills through networks** of professionals and intellectuals. A well-educated diaspora can improve access to capital, technology, information, foreign exchange, and business contacts for firms in Africa. The South African Network of Skills Abroad (SANSA) is an example. Through its website, it invites professional South Africans to sign up. It reports that at least 22,000 graduates from five major South African universities resident abroad remain in touch with the universities. Once professionals join SANSA, they may offer to train their South African counterparts or assist them to conduct research. They facilitate business contacts and transmit information on research results not available in South Africa. SANSA members also help to transfer technology to their home country, such as providing computers and software.

Opposition to permanent migration is reflected in the growing emphasis on **temporary migration** to high-income countries. This alternative can provide an opening to increase legal, unskilled migration, which generates the greatest developmental impact for origin countries (via remittances, which have doubled in the past five years, and skills gained). Unskilled migrants often must rely on bilateral or regional agreements, such as seasonal work programs, while skilled migrants tend to have more opportunities under unilateral visa programs (such as the U.S. H-1B visa and the temporary skilled migration programs of Australia and Canada). The record of receiving countries in ensuring that such temporary migration is indeed temporary is mixed, however. Some workers are eventually able to bring their dependents to the receiving countries, resulting in significant permanent settlement. While temporary migration offers a safety valve for insufficient employment, developing country policies should ultimately aim to generate adequate employment and rapid growth, instead of relying on migration.

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