

# African brain drain and its impact on source countries: What do we know and what do we need to know?

Capuano, Stella and Marfouk, Abdeslam

IAB, Institute for Employment Research, Nürnberg, Germany, Institut Wallon de l'Evaluation, de la Prospective et de la Statistique (IWEPS) and Université Libre de Bruxelles, Belgium

May 2013

Online at https://mpra.ub.uni-muenchen.de/47944/ MPRA Paper No. 47944, posted 03 Jul 2013 09:54 UTC

## African brain drain and its impact on source countries: What do we know and what do we need to know?

Stella Capuano<sup>1</sup> and Abdeslam Marfouk<sup>2</sup>

 <sup>1</sup> IAB, Institute for Employment Research, Nürnberg, Germany
 <sup>2</sup> Institut Wallon de l'Evaluation, de la Prospective et de la Statistique (IWEPS) and Université Libre de Bruxelles, Belgium

#### May 2013

#### Abstract

While there appears to be deep and growing concern for the brain drain from Africa, lack of adequate data has so far prevented a comprehensive analysis of its magnitude and its impact on source countries. Using original datasets on international migration, this paper addresses both issues. We show that many African economies lost a consistent part of their highly skilled labor force due to migration to developed countries. We also highlight that significant effort is still needed, in terms of data collection and empirical analysis, before drawing clear conclusions on the effects of the brain drain on Africa.

Keywords: Education, International Migration, Human Capital, Labor Mobility, African brain drain.

JEL Classification: F22-J11-015

Corresponding author: Abdeslam Marfouk. E-mail: a.marfouk@skynet.be

## **1-Introduction**

According to the latest figures, a high percentage of highly educated African migrate oversees. For example, between 1990 and 2000, the stock of high-skilled immigrants from African countries residing in the OECD countries increased by 90% (Table 1). As a consequence, a number of African countries "lost" a significant proportion of their highly educated labor force.

The figures reveal that a considerable "brain drain" from Africa is at place, a phenomenon that is likely to worsen the already worrying situation of the African continent in terms of human capital as shown by the most recent indicators on literacy rates and research and development.<sup>1</sup>

While there appears to be deep and growing concern for the brain drain from Africa, lack of adequate data has so far prevented a comprehensive analysis of its magnitude and its impact on source countries. Using original datasets on international migration, this paper addresses both issues. After giving an overall picture of the magnitude of the brain-drain from Africa, we will concentrate on two related issues that have so far received little attention: female brain drain and the brain drain in the medical profession.

Female brain drain may translate into a higher loss than male brain drain, particularly in contexts such as Africa, where female literacy rates are still very low and female human capital constitutes a more scarce resource than male human capital: a vast body of literature has indeed pointed out that women's education is a fundamental element for growth and development (see, for example, World Bank, 2007). The second aforementioned issue, i.e. the brain drain within the medical profession represents a serious problem for the African continent, as it may be linked to a worsening of the health situation of its population and of its health system as a whole.

In our discussion on female and medical brain drain from Africa we will report the results of existing studies and comment on the available data on the topic, but we will also highlight that more effort is still needed in order to reach conclusive results on both phenomena.

The remainder of the paper is organized as follows: in Section 2 we provide an overall picture of the brain drain from Africa, including female brain drain and the case of medical brain drain. In Section 3 we describe existing evidence on the impact of brain drain on source countries. Section 4 discusses a few relevant issues that, in our opinion, deserve the attention of scientific research. Finally, Section 5 concludes.

<sup>&</sup>lt;sup>1</sup> 38% of the adult population in Africa is illiterate, and the participation rate in tertiary education is only 6%, which is the lowest in the world, in comparison to a global average of 26% (see UNESCO, 2010). Moreover, the continent accounts for only 2.2% of the total number of Research and Development (R&D) researchers in the world and 1.5% of the world's physicians (see WHO 2009).

## 2- Magnitude of high-skilled migration from Africa

The purpose of the present and the following sections is to illustrate how large high-skilled migration from Africa is. Our analysis is based on the international migration data-set developed by Docquier, Lowell and Marfouk (2007, 2009) -  $DLM07^2$  henceforth - which provides detailed information on international migration by sex, educational attainment, countries of origin and destination – in absolute terms and in percentage of the total labour force born in the sending country (emigration rates).

DLM07 relies on harmonised census and register data on the structure of immigration in 30 OECD member states with the highest level of detail on the country of birth for two periods (1990 and 2000). Three levels of schooling are distinguished: primary (low-skilled: including lower-secondary, primary and no school), secondary (medium-skilled: high school leaving certificate or equivalent), and tertiary education (high-skilled: higher than high-school leaving certificate or equivalent). Brain drain is defined as the migration of tertiary educated workers.

DLM07 counts as migrants all working-age (25+) foreign-born individuals living in an OECD country. Considering the population aged 25+ maximises the comparability of the immigration population with data on educational attainment in the source countries. It also excludes a large number of students who temporarily emigrate to complete their education.

Let  $M_{j,s,t}^i$  indicate the stock of adults aged 25+ born in country *i* and residing in country *j* with skill level *s* at time *t*. Aggregating these numbers over the destination countries *j* gives the stock of emigrants from source country *i* living in the OCED area:

$$M^{i}_{OECD,s,t} = \sum_{J} M^{i}_{j,s,t}$$

Skilled emigration rates are obtained by comparing the emigration stocks to the total number of people born in the source country and belonging to the same educational category. Calculating the brain drain as a proportion of the total educated labour force is more appropriate to evaluate the pressure imposed on the local labour market. For example, one may argue that the pressure exerted on the national economy by 151,451 Egyptian high-skilled emigrants (4.7 % of the educated total labour force) is less than the pressure exerted by 7,558 high-skilled emigrants from Cape Verde (82.4 % of the national educated labour force).

Let  $N_{s,t}^i$  be the total resident population in the country of origin *i* at time *t*. The emigration rate from country *i* to country *j* at time t is:

<sup>&</sup>lt;sup>2</sup> DLM07 is an extension of the Data set developed by Docquier and Marfouk (2004, 2006) which provides information on the structure of immigration in the OECD area by origin and destination countries and educational level but without gender breakdown.

$$m_{j,s,t}^{i} = \frac{M_{j,s,t}^{i}}{N_{s,t}^{i} + M_{j,s,t}^{i}}$$

Table 1 describes the structure of migration to OECD countries by educational attainment and region of origin. It shows that a significant proportion of African immigrants are highly educated. In 2000, approximately one out of every three African migrants (32%) is tertiary educated, compared to 26% for the Latin America and Caribbean region (LAC) and 22% for Europe. The same Table reveals that the percentage of highly skilled among African migrants has increased by 7 percentage points over the period 1990-2000<sup>3</sup>, against -1 percentage point for the LAC region, and 4 percentage points for the migrants in developing countries considered as a whole.

Comparing the educational level of migrants with the one of the overall population in the home countries reveals that, in general, migrants are better educated than those left behind. This is particularly true in Africa, where, as Table 1 shows, the proportion of the tertiary educated among migrants from Africa (32% in 2000) is eight times higher than their proportion in the continent labor force (4%). In the last two columns of Table 1 we have computed the high-skilled (brain drain) and low-skilled emigration rates. Looking at the value of the brain drain rate for the African region in 2000, it is remarkable how the propensity to move among highly-skilled workers  $(10.6\%)^4$  is approximately twelve times higher than among the low-skilled (0.9%). This clearly indicates that the African continent is losing a consistent part of its human capital endowment.

To further explore this issue in Table 2 we display the situation of the most affected African countries. The brain drain intensity is different when measured in absolute or relative terms. In absolute terms, unsurprisingly, the largest countries are more strongly affected by the exodus of highly skilled workers. The top eight sending countries in 2000 were South Africa (173,411), Morocco (155,994), Egypt (151,451), Nigeria (148,780), Algeria (87,777), Kenya (80,287), and Ghana (67,105). However, when the brain drain is measured as a proportion of the national highly skilled labor force, small countries suffer from a massive brain drain. This is the highest in Cape Verde (82%), Seychelles (77%), Gambia (68%), and Mauritius (56%).

<sup>&</sup>lt;sup>3</sup> Looking at specific regions of origin (Table 2), this proportion is particularly high in countries such Nigeria (65%), South Africa (63%), and Egypt (59%).

<sup>&</sup>lt;sup>4</sup> The African countries' unweighted average of high-skilled emigration rates is much higher (20%).

	Structure of immigration (in thousands)			Proportio	n of high-skilled (in %)	Emigration rates (in %)		
Region of origin	Total	Low- skilled	High-skilled	Among Immigrants	In region of origin labour force	Low-skilled	High-Skilled	
		2000						
All countries	58,619	25,280	20,523	35	11.1	1.3	5.5	
Developed countries	19,890	7,047	7,940	40	29.8	3.6	3.9	
Developing countries	37,890	17,395	12,391	33	6.2	1.0	7.3	
From Selected region								
Africa	4,465	2,188	1,407	32	3.9	0.9	10.6	
Asia	15,255	5,468	7,014	46	6.0	0.4	5.8	
Europe	21,364	9,026	6,896	32	17.7	4.4	7.3	
Latin America and Caribbean	13,966	7,319	3,684	26	11.8	4.1	11.1	
		1990						
All countries	41,996	20,601	12,546	30	9.1	1.3	5.1	
Developed countries	18,206	8,099	5,768	32	23.7	3.9	4.0	
Developing countries	22,605	11,830	6,513	29	4.7	0.9	6.5	
From Selected region								
Africa	2,914	1,760	.742	25	2.5	0.9	11.5	
Asia	9,435	3,979	3,786	40	4.7	0.4	5.2	
Europe	19,492	9,906	4,890	25	13.8	5.0	7.0	
Latin America and Caribbean	7,019	3,745	1,926	27	8.9	2.6	10.1	

 Table 1- Descriptive statistics by region of origin (1990-2000)

Note: Migrants are defined as persons aged 25 or older. Low-skilled = persons with less than secondary diploma, high-skilled = persons with tertiary diploma. "Total" corresponds to the sum of low-skilled, medium and high-skilled migrants. "All countries" refers to the sum of migrants from developed countries, developing countries, dependent territories and migrants who did not report their country of birth. Developing and developed country- groups are based on the World Bank income classification.

Source: Authors' computations based DLM dataset (2009).

Country of origin	High-skilled (in thousands)	Country of High origin	-skilled emigration rate in (%)
South Africa	173,411	Cape Verde	82%
Morocco	155,994	Seychelles	77%
Egypt	151,451	Gambia	68%
Nigeria	148,780	Mauritius	56%
Algeria	87,777	Sierra Leone	49%
Kenya	80,287	Ghana	45%
Ghana	67,105	Liberia	44%
Ethiopia	52,538	Kenya	39%
Tunisia	40,226	Uganda	36%
Congo Dem. Rep.	38,017	Eritrea	35%
Uganda	35,921	Somalia	35%
Zimbabwe	34,017	Rwanda	32%
Tanzania	33,125	Congo Rep.	28%
Somalia	26,758	Guinea-Bissau	28%
Mauritius	23,185	Sao Tome and Princip	be 27%
Cameroon	22,148	Mozambique	23%
Congo Rep	20,426	Comoros	21%
Liberia	20,347	Equatorial Guinea	21%
Sudan	18,341	Malawi	21%
Sierra Leone	16,647	Morocco	19%
Senegal	15,844	Cameroon	17%
Zambia	14,019	Senegal	17%
Cote d'Ivoire	13,674	Togo	17%
Eritrea	12,939	Zambia	16%
Madagascar	12,506	Congo demo. Rep.	15%

Table 2 - Emigration (25 years and over) form African to OECD countries, by country of origin.Top25 ranked in decreasing order, year 2000

Source: Authors' computations based on DLM dataset (2009).

#### 2.1- Female migration: A hidden dimension of the African brain drain

Available data show that the female component of both the worldwide and African brain drain is growing over time. In Table 3 we have computed the stock of migrants for 1990 and 2000 by gender, country of origin, and educational level, based on the DLM07. It is evident from this table that, on average, 50.9% of international migrants from around the world are women. Moreover, the share of women among highly skilled migrants is also considerable: women comprise 40.9% of the total highly skilled migrants worldwide and 40.6% of highly skilled migrants from Africa.

Between 1990 and 2000, the number of highly skilled female migrants from all over the world increased by 73%, from 5.8 to about 10.1 million (see Table 3). The growth of the low-skilled female migration rate in the same period was much lower (+22%). For Africa, the number of low and high-skilled female migrants increased by 33% and 113% respectively. In all regions, the growth rate of the stock of highly skilled female migrants was consistently greater than the growth rate of highly skilled male migrants.

Docquier, Lowell, and Marfouk (2009) point out that this increase in female brain drain is a consequence of the increased female educational attainment on the one hand, and of the higher demand for women's labor in the health care sector and other services on the other hand. Moreover, cultural and social changes in the attitude towards female migration in many source countries may have also played a role. To complete the picture, in Figure 1 we compare men and women's emigration rates by educational level and region of origin in 2000. In general, skilled women represent the most mobile component of international migrants. This is the case in Africa where both the low (0.8%) and high-skilled (13.4%) female emigration rates are respectively lower and higher than the male emigration rates  $(1.1 \text{ and } 9.3\%)^5$ .





Source: Authors' computations based on DLM dataset (2009)

<sup>&</sup>lt;sup>5</sup> The gender gap in skilled emigration is more important for Sub-Saharan Africa (6.2 percentage points).

	Total immigration			Low-skilled			High-skilled		
Region of origin	Men	Women	Share of women (in %)	Men	Women	Share of women (in %)	Men	Women	Share of women (in %)
	2000								
<b>All countries</b> Developed countries Developing countries	28,785 9,361 18,808	29,834 10,529 18,680	50.9 52.9 49,8	12,332 3,253 8,675	12,948 3,795 8,720	51.2 53.8 50.1	10,413 3,947 6,363	10,110 3,993 6,028	49.3 50.3 48.6
<b>From Selected regions</b> Africa Asia Europe Latin America and Caribbean	2,494 7,434 10,189 6,973	1,970 7,821 11,176 6,993	44.1 51.3 52.3 50.1	1,195 2,541 4,198 3,791	.992 2,926 4,828 3,528	45.4 53.5 53.5 48.2	.836 3,601 3,481 1,756	.571 3,413 3,415 1,928	40.6 48.7 49.5 52.3
	1990								
<b>All countries</b> Developed countries Developing countries	20,751 8,566 11,594	21,245 9,640 11,011	50.6 52.9 48.7	9,975 3,726 5,920	10,626 4,373 5,910	51.6 54.0 50.0	6,691 2,962 3,589	5,854 2,807 2,924	46.7 48.7 44.9
From Selected region Africa	1,715	1,199	41.1	1,016	.744	42.3	.474	.268	36.1
Asia Europe Latin America and Caribbean	4,754 9,357 3,456	4,680 10,136 3,563	49.6 52.0 50.8	1,906 4,616 1,873	2,073 5,290 1,871	52.1 53.4 50.0	2,070 2,591 .967	1,716 2,299 .958	45.3 47.0 49.8

Table 3- Descriptive statistics by country groups, sex and education level (1990-2000)

Note: Migrants are defined as persons aged 25 or older. Low-skilled = persons with less than secondary diploma, high-skilled= persons with tertiary diploma. "Total" corresponds to the sum of low-skilled, medium and high-skilled migrants. "All countries" refers to the sum of migrants from developed countries, developing countries, dependent territories and migrants who did not report their country of birth. Developing and developed country- groups are based on the World Bank income classification.

Source: Authors' computations based DLM dataset (2009).

#### 2.2- Case of African medical brain drain

The brain drain measures that we have just illustrated may not entirely capture the emigration rates in some specific occupations, e.g. IT specialists, teachers, and health professionals. One of the major concerns for Africa is the loss of personnel in the health sector. Thanks to recent data sets (for example, Clemens and Pettersson (2006); OECD (2007)<sup>6</sup> we are now able to assess how serious the African medical brain drain is. Table 4 uses OECD data to account for the number of physicians and nurses born in the top twenty-five African sending countries who migrated to the OECD area. Large countries, e.g. Algeria, South Africa, Egypt, Morocco, and Nigeria, are among the top sending countries of medical doctors. Small countries, e.g. Mozambique, Angola, and Sierra Leone, are the most affected in relative terms, i.e. as a proportion of the total number of physicians working in the origin countries. The same table shows that nurses' emigration rates are above 30% for six African countries.

The migration of health professionals represents a plague for African countries as health indicators are poor, the mortality rate is high, and shortages are particularly severe in the medical sector. The World Health Organization's -hereafter WHO - (2009) statistics reveal that in twenty-seven African countries the physicians' density (i.e. the number of physicians per 10,000 inhabitants) does not exceed 2%. According to WHO (2006), due to critical shortages in health workers, thirty-six out of the forty-three Sub-Saharan African countries face serious difficulties in providing their population with essential health services and are unlikely to meet the millennium health development goals.

According to the same source, the correction of this deficit would require a significant increase in the health personnel (+139%). Other studies confirm the critical need for more health workers in Africa. For example, Chen et al. (2004) estimated that one million extra health workers would be required for Sub-Saharan Africa to reach the millennium development goals by 2015. Furthermore, Kurowski et al. (2003) argue that "in the best case scenario for 2015 the supply of health workers would reach only 60% of the estimated need in the United Republic of Tanzania and the need would be 300% greater than the available supply in Chad".

<sup>&</sup>lt;sup>6</sup> For further information, see OECD (2007, 2008).

Physicians				Nurses				
Country of origin	Absolute values	Country of origin	Emigration Rate	Country of origin	Absolute values	Country of origin	Emigration rate	
Algeria	10,793	Mozambique	64.5	Nigeria	13,398	Liberia	66.9	
South Africa	7,355	Angola	63.2	Algeria	8,796	Sierra Leone	56.3	
Egypt	7,243	Sierra Leone	58.4	South Africa	6,016	Mauritius	50.4	
Morocco	6,221	Tanzania	55.3	Morocco	5,730	Cap Verde	38.9	
Nigeria	4,611	Liberia	54.2	Ghana	5,230	Sao Tomé & Principe	35.0	
Tunisia	2,415	Guinea-Bissau	49.2	Mauritius	4,502	Equatorial Guinea	31.0	
Kenya	2,385	Sao Tomé & Principe	46.7	Zimbabwe	3,619	Zimbabwe	27.9	
Angola	1,512	Senegal	43.0	Kenya	2,523	Ghana	24.9	
Ghana	1,469	Cape Verde	41.7	Sierra Leone	2,057	Madagascar	24.4	
Uganda	1,084	Congo	41.6	Angola	1,703	Morocco	20.5	
Tanzania	1,018	Benin	40.9	Ethiopia	1,421	Seychelles	19.2	
Mozambique	935	Togo	40.5	Cameroon	1,338	Eritrea	18.8	
Madagascar	889	Malawi	37.9	Liberia	1,240	Guinea-Bissau	18.0	
Zimbabwe	828	Mauritius	35.7	Uganda	1,210	Mozambique	16.5	
Sudan	778	Kenya	34.6	Madagascar	1,157	Somalia	14.4	
Mauritius	725	Equatorial Guinea	33.8	Egypt	1,128	Algeria	12.4	
Ethiopia	633	Somalia	33.3	Tanzania	970	Congo	12.3	
Libya	592	Uganda	32.9	Zambia	820	Comoros	11.7	
Cameroon	572	Eritrea	32.6	Mozambique	779	Angola	11.5	
Zambia	567	Ghana	31.2	Eritrea	548	Nigeria	9.5	
Congo	539	Zambia	31.0	Congo	452	Ethiopia	9.1	
Senegal	449	Zimbabwe	28.4	Tunisia	410	Senegal	8.9	
Congo Dem. Rep.	350	Morocco	28.0	Congo Dem. Rep.	404	Central African Rep.	8.4	
Côte d'Ivoire	261	Burundi	26.2	Côte d'Ivoire	337	Uganda	7.4	
Sierra Leone	236	Ethiopia	24.6	Cap Verde	261	Tanzania	6.8	

Table 4- Emigration of health professionals. Descriptive statistics by country groups and sex.

Source: Authors' computations based on the OECD dataset (2007)

## 3- Impact of the brain drain on source countries

One of the major concerns regarding the emigration of the highly educated labor force from Africa is the potential loss of the investment directly associated with training. Nowadays, these fears are widespread, not only among scholars, but also among policy makers and international and regional development agencies. For example, the WHO General Director considered that "countries need their skilled workforce to stay so that their professional expertise can benefit the population. When health workers leave to work elsewhere, there is a loss of hope and a loss of years of investment"<sup>7</sup>.

No comprehensive data documenting the amount of the training costs of skilled African migrants exist. However, different sources suggest that those costs might be substantial. For example, the UNCTAD has estimated that each African professional migrant represents, on average, a loss of 184,000 US dollars to Africa, see, among others, Oyowe (1996); Pang, Lansang, and Haines (2002); Eastwood et al. (2005); Kirigia et al. (2006); Mugimu (2010). Despite the fact that this estimate is widely cited, we should keep in mind that it has not been updated in more than fifteen years. Consequently, it should be considered as an approximation.

A number of case studies quantify the losses for African countries associated with the migration of the highly skilled. For example, the financial cost due to the migration of 600 South African medical graduates to New Zealand was estimated at 37 million US dollars, Mugimu (2010). The total cost of education from primary to university of a non-specialist medical doctor in Malawi was estimated at 56,947 US dollars, Muula and Panulo (2007) and 65,997 US dollars for Kenya<sup>8</sup>, Kirigia et al. (2006). In 2004, Ghana alone lost approximately £35 million spent on training of health professionals who left the country for the UK. In contrast, the recruitment of Ghanaian doctors resulted in approximately £65 million of savings in training costs in the UK between 1998 and 2002, Mills et al. (2008). From the point of view of the receiving countries, Saraladevi et al. (2009) note that in the United Kingdom, "each qualifying doctor costs £200,000– £250,000 and 5–6 years to train, so in economic terms, every doctor arriving in the United Kingdom is appropriating human capital at zero cost for the use of the UK health services and the effect is immediate rather than in 5 years' time" (p. 62).

In addition to the waste of resources invested in education, the early literature on the brain drain supports the view that skilled migration has several negative effects on the source countries, see, among others, Bhagwati and Hamada (1974); Kwok and Leland (1982). There are four main messages delivered by the traditional literature: (i) the brain drain deprives developing countries of one of their scarcest resources,

<sup>&</sup>lt;sup>7</sup> World Health Organization (2006).

<sup>&</sup>lt;sup>8</sup> In comparison to gross national income per capita (GNI) these figures represent a huge investment. In 2008, the GNI per capita is estimated at US\$280 for Malawi and US\$730 for Kenya (World Bank, 2010).

i.e. human capital; (ii) skilled migrants are net fiscal contributors and their departure represents a fiscal loss for their home countries; (iii) human capital is a source of economic growth and the brain drain negatively affects the countries' economic performance and growth prospect; and (iv) the decrease in human capital seriously affects the countries capacity for innovation and the adoption of modern technologies and increases inequality at the international level, with rich countries becoming richer at the expenses of the poor countries.

More recent literature mitigates the above pessimistic view by putting forward several potential compensatory effects of the brain drain. The channels through which these effects may take place are different. For example, return migration can be a beneficial route if returning migrants use the additional knowledge acquired abroad to start up new entrepreneurial activities and contribute to the diffusion of new technology, Stark et al. (1997); Gubert and Nordman (2008); Wahba and Zenou (2009). Other scholars argue that highly skilled migrants promote bilateral trade and foreign direct investment (FDI) between countries of origin and destination through the creation of business networks (see Harris and Schmitt (2003) for a survey and Blanes (2005) for a case study focusing on Spain). Furthermore, Wahba and Zenou (2009) found that Egyptian return migrants are more likely to become entrepreneurs than non-migrants. Gubert and Nordman (2008) reached similar conclusions for return migrants to the Maghreb.

Moreover, remittances can help poverty reduction. Studies conducted focusing on African countries show that remittances can favor the development of the source country, Adams et al. (2009). Other studies have documented a beneficial effect of remittances on education and poverty reduction, see, for example, Sasin, (2008); Herrera et al. (2008); Roushdy et al. (2009). However, Faini (2007) argues that as skilled migrants come, in general, from wealthy families<sup>9</sup> their propensity to remit is relatively lower. Consequently, the negative impact of the brain drain on source countries might not be mitigated by the favorable effect of remittances.

Another important strand of literature, that Faini (2003) labeled the "revisionist" approach to the analysis of the brain drain, has put forward the concept of brain gain as a potential beneficial effect of highly skilled migration. For example, Mountford (1997), Stark et al. (1997), Vidal (1998), and Beine et al. (2001, 2008) argue that if returns to education are higher abroad than at home, the prospects of migration might increase the expected return of human capital, thereby stimulating human capital formation among residents in source countries. As long as only a fraction of the increased highly skilled labor force end up

<sup>&</sup>lt;sup>9</sup> Inequality of educational opportunities in developing countries is well documented. For example, UNESCO (2009) maintains that "being born into the poorest 20% of the wealth distribution in sub-Saharan Africa, or in South and West Asia, more than halves the chance of school attendance at grade 9. These income-based disparities are mirrored in differences in average years of education attained by the people aged 17 to 22. In Mozambique, someone in the poorest 20% has on average 1.9 years of education, compared to 5 years for someone from the richest 20%. In Peru, the gap between rich and poor is 4.6 years of schooling, rising to 6.7 years in India".

migrating (due to migration uncertainty), the source country's long run stock of human capital might be higher than what it would have been without migration opportunities. When the incentive effect described above (the brain gain) dominates the observed brain drain effect, we can talk about a net brain gain for the source country. Beine et al. (2008) found that there are countries which benefit from the brain drain, "the winners", in the authors' terminology, and countries which experience a net loss of human capital, "the losers." However, the latter are a larger number than the former and their losses are higher than the gains of the winners. Net gains are obtained in large countries which combine low levels of human capital and low high-skilled emigration rates, while among the losers there are many small African countries characterized by low per-capita income (strong financial constraints to education) and high rates of skilled migration.

Other studies focusing on the impact of migration of health personnel found that the medical brain drain has a detrimental effect on public health, measured as the rate of adult death and infant child mortality, for example, Bhargava et al. (2011). The evidence for the possible existence of a medical brain gain is mixed. Chojnicki and Oden-Defoort (2010) found that there might be a brain gain for most African countries, given the positive impact of the medical brain drain on the number of graduates from medical schools. However, Bhargava et al. (2011) argue that the effect is likely to be too small to compensate for the losses caused by the migration of highly skilled medical professionals. It would then be important, from the policy perspective, that those African countries which are hit the hardest by the medical brain drain phenomenon try and implement policies that mitigate the bad economic conditions for physicians, which represent the main causes of their emigration, see Clemens and Pettersson (2006).

We should keep in mind that the conclusion emerging from these empirical studies should be interpreted with caution, as their results may differ according to the methodology and data use. For example, Beine et al. (2001) found a positive net gain for developing countries as a whole (+2.2% of tertiary graduates), however Docquier et al. (2008) conclusion is more pessimistic: the number of "winners" is very limited and, more significantly, the brain drain induces a negative effect on the total number of the tertiary educated in developing countries (-2.7% of tertiary graduates).

It is worth noticing that the theoretical and applied works on the brain gain may suffer from different shortcomings. First of all, there is a fundamental argumentation flaw: brain gain research tends to refer always to developing countries, highlighting how the brain drain may raise the stock of human capital in the source countries. However, there is surprisingly no support for this idea when it comes to high-skilled emigration from developed countries. On the contrary, the prevailing perspective remains the one of interpreting the emigration of highly skilled people from Europe as a negative phenomenon. The best

illustration can be found in the *Third European Report on Science and Technology* in which the European commission (2003) emphasizes:

"It is common to present the emigration of European students and researchers as a threat to Europe's competitiveness in scientific fields and applied research. The exodus of highly qualified scientists and engineers, often described as "brain drain", may weaken the field of research in Europe, while strengthening the continent's main competitor, the US", p. 225.

In same report, the European commission points out:

"The loss of human resources to the US may put a strain on national education systems and place EU employers in a position where there is severe competition with their US counterparts for S&T personnel. A more serious consequence could be that the drain of EU based talent and skills leads to a further relative strengthening and growth of knowledge-intensive industries in the US", p. 222.

If the brain gain is a general theory, it should lead to the same conclusions regardless the countries of origin to which it applies.

More importantly, we should also take into consideration that the analysis of brain gain may suffer from different shortcomings. First of all, the emigration rate should be ideally, calculated as a ratio of the emigrant to the origin countries' native population. However, because the datasets the authors use do not contain information on the structure of immigration in the origin country by educational level, the computation of the emigration rate is based on total resident population (natives + immigrants) instead of native population. As a consequence, the magnitude of the brain drain might be underestimated, to a large extent, for countries where immigrants represent a significant proportion of the resident population<sup>10</sup>.

An additional key issue concerning the OECD immigration countries is that the brain gain empirical literature underestimates the magnitude of brain drain for many countries that send a large proportion of their emigrants to non-OECD destinations. According to the United Nations data, the OECD hosts 47% of international migrants and available estimates reveal that South- South migration is almost as large as South-North. Ratha and Shaw (2007) point out that 40 % of migrants from developing countries live in the

<sup>&</sup>lt;sup>10</sup> According to the United Nations data, the percentage of the migrant population exceeds 65% of the resident population in Qatar (76%), United Arab Emirates (71%), and Kuwait (67%). In other countries, international migrants represent a significant proportion of the resident population, for example, Jordan (40%), Bahrain (37%), Brunei (31%), Saudi Arabia (25%), Antigua and Barbuda (21%), Gabon (17%), and Lebanon (18%). The data refers to 2000, the same year used in the Beine and al. (2008) empirical analysis.

OECD high-income countries, against 47 % in other developing countries. Focusing on Africa, this study found that more than two out every three (69 %) African international migrants from Sub-Saharan Africa migrate to developing countries

The above considerations suggest that by neglecting migration to non-OECD countries, the empirical work aiming at verifying the brain gain theory underestimates, to a large extent, the magnitude of skilled emigration, especially from developing countries. A new dataset developed by Docquier, Marfouk, Özden and Parsons (2011) - DMOP henceforth - provides information on the structure of immigration to OECD and non-OECD countries by origin, educational level, and gender for 1990 and 2000<sup>11</sup>. By adding the migration flows to seven African countries<sup>12</sup>, the number of African high-skilled emigrants increases by nearly 131,000 persons (9%) in 2000, and rose to approximately 361,000 or 26% to all the forty-six non-OECD countries. Figure 2 uses DMOP and DLM07 in order to compare the emigration rates computed using the resident (DLM07) vs. the native population (DMOP).

As expected, Figure 2 shows that using the resident population instead of the native population will result in the underestimation of high-skilled emigration rates.





Source: Authors' calculations based on DLM (2009) and DMOP (2011) datasets.

<sup>&</sup>lt;sup>11</sup> In 2000, seventy-six receiving countries were considered (thirty OECD countries and forty-six non-OECD countries). In Docquier, Lowell and Marfouk dataset, Israel, Chile, Estonia, and Slovenia, who became OECD members in 2010, are included. To allow a comparison between high-skilled workers' emigration rates in DLM dataset used in the empirical works on brain gain theory and the extended database, these countries are included in the non-OECD group.

<sup>&</sup>lt;sup>12</sup> Benin, Burkina Faso, Côte d'Ivoire, Gambia, Guinea, Kenya, Mali, Mauritius, Morocco, Rwanda, Senegal, Seychelles, Tanzania, South Africa, and Uganda.

In these circumstances it is not surprising that, for these nations, the brain gain could dominate the brain drain effect and thus their inclusion in the group of the "winners". The real surprise is that none of the ardent defenders of the brain gain theory have addressed this major issue so far.

In Figure 3 we use DMOP to compare the highly skilled emigration rates when also emigration to non-OECD countries is taken into account. The figure clearly indicates that the brain drain is largely underestimated in many Sub-Saharan African countries, such as Burkina Faso, Chad, Lesotho, Namibia, Swaziland, Niger, and Mali. For example, for Lesotho, high-skilled emigration rate to the OECD and non-OECD countries (23%) is approximately six times higher than the high-skilled emigration rate to the OECD countries (4%). The figure also shows that the magnitude of the brain drain is also underestimated for non-African countries. Our estimates should be considered as a lower-bound measure of high-skilled emigration. In fact, DMOP only considers seventy-six receiving countries<sup>13</sup>. Due to the low quality of the data, the information on sending countries is partial. In many cases only a few sending countries can be distinguished<sup>14</sup>. The other countries are aggregated and considered as residual in the entry "other countries" or "unknown."

Figure 3 – Comparison of the emigration rates of high-skilled workers to the OECD and non-OECD versus OECD, for selected origin countries in 2000.



Source: Authors' computations based on DLM (2009) and DMOP (2011) datasets.

<sup>&</sup>lt;sup>13</sup> Among them there are seven African countries, which represent only a fraction of the total stock of international migrants living in Africa.

<sup>&</sup>lt;sup>14</sup> In many cases only a very limited number of origin countries could be identified, e.g. Uganda (9), Rwanda (8), and Kenya (5).

These elements reveal that additional work is needed before a definitive conclusion can be drawn on the effect of skilled migration on human capital formation in developing countries in general, and Africa in particular. Indeed, several strands of migration literature put forward different, sometimes opposite, hypothesis on this issue, which suggests that there might be scope for further analysis aimed at shading some more light on what is still not clear and it is still the object of a vivid debate.

## 4- What do we need to know?

Research on the brain drain from developing countries in general, and from Africa in particular, has a long history, however significant effort is still needed to shed more light on a few largely unexplored dimensions of skilled migration from Africa. Until now research on the brain gain has been gender blinded. Consequently, we have no idea about the impact of skilled female migration on human capital formation. Such an extension would be extremely relevant if applied to African countries. Probably, the lack of adequate data and the relatively limited interest in female migration can be considered responsible for the low attention that the female brain drain from Africa has received, thus far. However, some progress in terms of data collection has recently been made. In fact, a few original datasets, Dumont et al. (2007); Docquier, Lowell, and Marfouk (2007, 2009); Dumont, Spielvogel, and Widmaier (2010); Docquier, Marfouk, Parsons, and Özden (2011) have become available, which contain detailed information on international migration by gender, educational attainment, countries of origin, and destination. We have documented and used some of the above datasets in order to show the magnitude of female brain drain, and we hope that these new data will stimulate further research on female migration. For example, the latest year to which the above dataset refer is 2000. Widening the time frame of migration data by gender would represent a considerable improvement and open up several opportunities for the analysis of migration dynamics.

A second topic of crucial relevance is the analysis of the brain drain from different key sectors in Africa. Many scholars underlined that scarce and inadequate data on this topic pose major obstacles in studying the dynamics of migration from developing countries. For example, Sako (2002) points out that "there is no systematic record of the number of skilled professionals that Africa has lost to the developed world". More recently, the European University Association (2010) stated that "both in Africa and Europe there still seems to be a lack of awareness of the extent of brain drain and its impact at all levels, from academic to societal and economic" (p.14). So far, the magnitude of international migration of different highly skilled professionals, e.g. academic professionals<sup>15</sup>, engineers, entrepreneurs, teachers, and IT specialists

<sup>&</sup>lt;sup>15</sup> Case studies reveal that academic professionals' brain drain is a source of concern in African countries. For example, Hatungimana (2007) reported that the University of Burundi has lost a significant proportion of its qualified staff during the last years. In January 2007, only 169 full-

is still unknown. This means that an important piece of international mobility of skilled Africans is still missing. Hence, effort in terms of data collection would help policy makers to control and monitor their losses of highly skilled workers. Furthermore, the migration of highly skilled workers represents a loss of human capital not only for the origin countries themselves, but it may result in a double loss of human capital, if, due to job mismatch in the destination country labor market, those highly skilled migrants end up in jobs that require a lower level of education.<sup>16</sup> The existence of this kind of brain waste has been documented in different studies, e.g. Chiswick and Miller (2010); Mattoo et al. (2008); Özden (2006), and it makes it even a more compelling case for a greater data collection effort on international migration from the developing world by sectors of occupations.

Nowadays, a number of immigration countries in the OECD area are thinking about reforms of their immigration policies. Besides controlling its overall volume, a common point of contemporary migration policies is their selective nature in terms of the education of migrants. For example, the skill-based points systems in Australia, Canada and New Zealand target candidates to emigration according to their prospective contribution to the economy. In the United States emphasis is put on the selection of highly skilled workers through a system of quotas favouring candidates with academic degrees and/or specific professional skills. Recently, a number of European countries (including France, Germany, Ireland and the UK) have introduced programs aiming at attracting the qualified labor force. In May 2009, the European Council has agreed on the proposed European Union (UE) "blue card", which aims at attracting highly-skilled migrants from non-EU countries.

There is no doubt that the shift in immigration policies of the OECD countries towards selective immigration systems may intensify the African brain drain. However, a comprehensive analysis of the main driving forces behind brain drain from Africa in general and the impact of adoption of more selective immigration policies in particular flows of skilled workers from the continent is needed. Such an analysis would help understand migration dynamics form Africa and provide valuable insights to policy-makers in countries of origin to better control and monitor their losses of highly skilled workers.

time lecturers' doctorate holders of the 319 that the University should normally count were employed. The situation is more dramatic in the Faculty of Medicine: "In 1985-1986, the Faculty had 39 medical professors. Today it has barely 14 qualified lecturers, with some major departments having no tenured lecturers at all".

<sup>&</sup>lt;sup>16</sup> Özden (2006), for example, shows that in the US only small fraction (25%) of foreign-born males from Morocco who obtained their Bachelor degree from their home countries have a skilled job and this proportion does not exceed 40% for many developing countries: Ethiopia (37%), Egypt (38%), Ghana (40%), Nigeria (40%), while it is much higher for migrants coming from other countries (e.g. 64% Canada, 65% United Kingdom, 67% Australia, and 76% India).

## **5-** Conclusions

Nowadays, emigration from Africa is increasingly a question of mobility of highly-skilled persons. During the period 1990-2000, the number of high-skilled African-born workers in the OECD grew by 90%. As a consequence of this large outflow of highly educated individuals, a number of African countries experienced a considerable brain drain. However, while there appears to be deep and growing concern for the exodus of high-skilled Africans, little research, to date, has been done to establish the impact of skilled migration on source countries. This is mainly due to the poor quantity and bad quality of international migration data.

Using different datasets that have recently become available, this paper has shown that: (i) a number of African countries experienced a considerable brain drain; (ii) the migration of health professionals represents a plague for African countries and its potential impact on public health are worrying; and (iii) women represent a major component of skilled migration for Africa, and female migration should, accordingly, receive more attention from economic and policy research. This last point would be especially interesting for African policy makers who aim to involve the national population living abroad in the country of origin's process of development.

We have also documented the possible main effects of the African brain drain on source countries. In addition to the losses of public resources spent on the education of individuals who end up living outside the country, a number of observers consider that by depriving African countries of one of their scarcest resources, i.e. human capital, the brain drain can negatively affect the continent's economic performance and growth prospects. Yet, a recent wave of theoretical and empirical studies highlighted how a limited but positive high-skilled emigration rate can be beneficial for the sending countries. The channels through which this is possible are several, ranging from return migration and additional skills acquired abroad, flows of remittances, tourism revenues, technology transfers, creation of business and trade networks, and the stimulation of human capital formation at home. However, understanding and measuring the effect of the brain drain on African countries requires further empirical research and additional efforts in terms of data collection. This would allow drawing clearer conclusions on the effect of skilled migration on human capital formation in developing countries in general and Africa in particular.

## References

Adams, R., Keller, J., Mottaghi, L. and Van den Bosch, M. A. (2009), "The impact of remittances on growth: evidence from North African countries". The World Bank Middle East and North Africa Region. World Bank, Washington D.C.

Bhargava, A., Docquier F. and Moullan, Y. (2011), "Modeling the effects of physician emigration on human development", Economics and Human Biology, Volume 9, Issue 2, pp. 172-183.

Beine, M. and Docquier, F. (2001), "Brain drain and economic growth: theory and evidence", Journal of Development Economics, Volume 64, Issue 1, pp. 275-289.

Beine, M., Docquier, F. and Rapoport, H. (2008), "Brain drain and human capital formation in developing countries: winners and losers". The Economics Journal, Volume 118, Issue 528, pp. 631-652.

Bhagwati, J. N. and Hamada, K. (1974), "The brain drain, international integration of markets for professionals and unemployment", Journal of Development Economics, Volume 1, Issue 1, pp. 19-42.

Blanes, J. V. (2005), "Does Immigration Help to Explain Intra-Industry Trade? Evidence for Spain", Review of word Economics, Volume 141, Issue 2, pp. 244-270.

Chen, L., Evans, T., Anand, S. et al. (2004), "Human resources for health: overcoming the crisis", Lancet, volume 364, Issue 9449, pp. 1984-1990.

Chiswick, B. R. and Miller, P. W. (2011), "Educational Mismatch: Are High-Skilled Immigrants Really Working in High-Skilled Jobs, and What Price Do They Pay if They Are Not", in Chiswick, B. R. (eds.): High Skilled Immigration in a Global Labor Market, American Enterprise Institute, Washington D.C.

Chojnicki, X. and Oden-Defoort, C. (2010), "Is there a medical brain drain?", International Economics, Issue 124, pp. 101-126.

Clemens, M. A. and Pettersson, G. (2006), "A new database of health professional emigration from Africa", Working Paper Number 95, Center for Global Development.

Docquier, F., Faye, O. and Pestiau, P. (2008), "Is migration a good substitute for education subsidies?", Journal of Development Economics, Volume 86, Issue 2, pp. 263-276.

Docquier, F. Lowell, B. L. and Marfouk, A. (2007), "A gendered assessment of the brain drain", IZA Discussion Paper Number 3235.

Docquier, F. Lowell, B. L. and Marfouk, A. (2009), "A gendered Assessment of Highly Skilled Emigration", Population and Development Review, Volume 35, Issue 2, pp. 297-321.

Docquier, F. and Marfouk, A. (2004), "Measuring the International Mobility of Skilled Workers- Release 1.0", Policy Research Working Paper Number 3382, World Bank, Washington D.C.

Docquier, F. and Marfouk, A. (2006), "International Migration by Educational Attainment (1990-2000)", In Özden, C. and Schiff, M. (eds.): International Migration, Remittances and Development, Palgrave Macmillan, New York.

Docquier, F., Marfouk, A. Özden, C. and Parsons, C. (2011), "Geographic, Gender and Skill Structure of International Migration", Mimeo, Université Catholique de Louvain, Belgium.

Dumont, J. C., Martin, J. P. and G. Spielvogel, G. (2007), "Women on the move: The neglected gender dimension of the brain drain," IZA Discussion Paper Number 2920.

Dumont, J. C., Spielvogel, G. and Widmaier, S. (2010), "International Migrants in Developed, Emerging and Developing Countries: An Extended Profile", OECD Social, Employment and Migration Working Papers Number 114.

Eastwood, JB., Conroy, RE., Naicker, S., West, PA., Tutt, RC. and Plange-Rhule, J. (2005), "Loss of Health Professionals from Sub-Saharan Africa: The Pivotal Role of the UK", The Lancet, Volume 365, Issue 9474, pp. 1893-1900.

European Commission (2003), Third European Report on Science & Technology Indicators, Towards a Knowledge-based Economy.

European University Association (2010), Africa-Europe higher education cooperation for development: Meeting regional and global challenges – White paper.

Faini, R. (2007), "Remittances and the Brain Drain: Do More Skilled Migrants Remit More?", World Bank Economic Review, volume 21, Issue 2, pp. 177-192.

Faini, R. (2003), "Is the Brain Drain an Unmitigated Blessing?", Working Papers UNU-WIDER Research Paper, World Institute for Development Economic Research.

Gubert, Flore and Nordman, Christopher J. (2008), "Who benefits most from migration? An empirical analysis using data on return migrants in the Maghreb", MIREM Project Analytical Report.

Harris R. and Schmitt, N. (2003), "The Consequences of Increased Labour Mobility within an Integrating North America", In North American Linkages: Opportunities and Challenges for Canada, Eds. Harris, R., University of Calgary Press.

Hatungimana, A. (2007), "Le Phénomène de Fuite des Cerveaux: Cas du Burundi", Paper Presented at the Association of African Universities Conference of Rectors, Vice-Chancellors and Presidents, Tripoli, Libya, 21 - 25 October 2007.

Herrera, C., Dudwick, N. and Murrugarra, E. (2008), "Remittances, gender roles and children's welfare outcomes in Morocco". World Bank, Washington D.C.

Kirigia, JM., Gbary, AR., Muthuri, AR., Nyoni, J. and Seddoh, AT. (2006), "The Cost of Health Professionals Brain Drain in Kenya", BMC Health Services Research, Volume 6, Issue 89, pp. 1-10

Kurowski, C., Wyss K., Abdulla S., Yémadji, N. and Mills, A. (2003), "Human resources for health: requirements and availability in the context of scaling-up priority interventions in low-income countries. Case studies from Tanzania and Chad", London School of Hygiene and Tropical Medicine Working Paper Number 01/04.

Kwok, V. and Leland, H. (1982), "An Economic Model of the Brain Drain", The American Economic Review, Volume 72, Issue 1, pp. 91-100

Mattoo, A., Neagu, I. C. and Özden, C. (2008), "Brain waste? Educated immigrants in the U.S. labor market," Journal of Development Economics, volume 87, Issue 2, pp. 255-269.

Mills, E. J., Schabas, W. A., Volmink, J., Walker, R., and al. (2008), "Should Active Recruitment of Health Workers From Sub-Saharan Africa Be Viewed as a Crime?", The Lancet, volume 371, Issue 23, pp. 685–688.

Mountford, A. (1997), "Can a Brain Drain Be Good for Growth in the Source Economy?" Journal of Development Economics, Volume 53, Issue 2, pp. 287–303.

Mugimu, C. B. (2010), "Brain Drain to Brain Gain: What are the Implications for Higher Education in Africa?", Comparative & International Higher Education, Volume 2, Issue 2, pp. 37-42.

Muula, A.S., Panulo, B. (2007), "Lost Investment Returns From the Migration of Medical Doctors From Malawi", Tanzania Health Research Bulletin, Volume 9, issue 1, pp. 61 - 64

OECD (2007), "International Migration Outlook", Sopemi 2007 Edition, OECD, Paris.

OECD (2008), A Profile of Immigrant Populations in the 21st Century: Data from OECD Countries, OECD Publishing.

Oyowe, Augustine (1996), "Brain drain: colossal loss of investment for developing countries, The Courier ACP-EU", No. 159.

Özden, Ç. (2006), "Educated Migrants: Is There Brain Waste?", In C. Özden and M. Schiff (eds): International Migration, Remittances and Development? Palgrave Macmillan, New York.

Pang, T., Lansang, M.A. and Haines, A. (2002), "Brain Drain and Health Professionals: A Global Problem Needs Global Solutions." BMJ: British Medical Journal, volume 324, Issue 2, pp. 499- 500.

Ratha, D., and Shaw. W. (2007), "South-South Migration and Remittances", World Bank Development Prospects Group Working Paper Number 102, Washington D.C.

Roushdy, R., Assaad, R. and Rashed, A. (2009), "International migration, remittances and household poverty status in Egypt", Unpublished manuscript.

Sako, S. (2002), "Brain Drain and Africa's Development: A Reflection", African Issues, Vol. 30, No. 1, The African "Brain Drain" to the North: Pitfalls and Possibilities, pp. 25-30

Saraladevi, N., Plange-Rhule, J., Tutt, R. C. and John B. Eastwood, J. B. (2009), "Shortage of Healthcare Workers in Developing Countries-Africa", Ethnicity and Disease, Volume 19, pp. 60-64.

Sasin, Marcin, 2008, "Morocco's migration: the profile and the impact on households", World Bank, Washington D.C.

Stark, O., Helmenstein, C. and Prskawetz, A. (1997), "A brain drain with a brain gain", Economics Letters, Volume 55, Issue 2, pp. 227-234.

UNCTAD (2007), The Least Developed Countries Report 2007: Knowledge, Technological Learning and Innovation for Development, United Nations, New York and Geneva.

UNESCO (2010), Education for All Global Monitoring Report, Reaching the marginalized, Paris.

UNESCO (2009), Overcoming inequality: why governance matters, EFA Global monitoring report, Education for all, Paris.

Vidal, J-P. (1998), "The effect of emigration on human capital formation", Journal of Population Economics, Volume 11, Issue 4, pp. 589-600.

Wahba, J. and Zenou, Y. (2009), "Out of sight, out of mind: migration entrepreneurship and social capital", IZA Discussion Paper Number 4511.

World Bank (2010), World Development Indicators 2010, World Bank, Washington D.C.

World Bank (2007), Confronting the challenges of gender equality and fragile states, Global Monitoring Report, World Bank, Washington D.C.

WHO (2009), World Health Statistics 2009, World Health Organization, Geneva.

WHO (2006), World Health Report: Working Together for Health, Geneva.