

Skilled Migration: New Policy Options

Summary of Key Issues

The issue of brain drain is part of current political and public concerns about reaching development goals. The developed world is seen to be poaching skilled people from Africa and other developing regions in order to meet its own demands for skilled labour. Some governments have responded with programmes of ethical recruitment that limit or even prohibit the recruitment of specific personnel from poor countries. However, these measures exhibit only a partial understanding of the complexities of movement of highly skilled people sidelining, for example, the importance of internal movements and links to migration of less skilled people. This Briefing takes a critical look at the terms of the brain drain debate, reviews existing policy options and suggests a way forward.

Overview

The debate on brain drain, or the emigration of skilled workers, is not new but it has taken on greater urgency in the context of a globalising economy and ageing societies. Today, the developed world is perceived as poaching the best and the brightest from the developing world, thus prejudicing the chance of development in those countries. However, any brain drain is as much internal within any country as it is among countries and the skilled migration system should not be seen in isolation from other types of migration.

Human capital formation is considered to be of central importance to development and the ultimate reduction, even eradication, of poverty. Any loss of the skilled through migration may be prejudicial to the achievement of development goals and any discussion of the movement of the skilled is inextricably bound up with what is generally referred to as 'brain drain', a debate that has been ongoing for over four decades.

Today, the debate has moved on and, generally, more

guarded interpretations are put forward that the emigration of the skilled need not necessarily be negative for development.

A tendency still remains to view the exodus of skilled people from developing countries as negative, and stopping that migration, and encouraging the retention and return of skilled people, as positive. As a result governments, including the UK, have ethical codes of practice of recruitment for health professionals. Such programmes might appear to be morally impeccable to the extent that they attempt to protect the interests of origin states against those of destination states but they are problematic and difficult to implement. They also exclude certain individuals from opportunities which, if implemented, could be seen to be discriminatory.

Complexity in the Highly Skilled Debate

- Importance of Links to Internal Movements*

Virtually absent from the brain drain debate is an assessment of linkages to internal brain drain, particularly rural-to-urban migration. In rural areas the loss of the most educated members of a village may undermine community-based organisations and erode capacity to implement development programmes at the local level. For poverty alleviation strategies to work, the internal brain drain is likely to be of more importance than the



The highly trained are scarce in many developing countries

international movement of skilled people from the larger urban centres of a country. Relatively few highly skilled migrants either come from, or go to rural areas. Any discussion of migration and the highly skilled as it relates to poverty needs to consider impacts of domestic movements alongside the more commonly examined international movements of the skilled.

- *Importance of Links to Unskilled Migration*

The movement of skilled people tends to be seen as making up a migration system in its own right. Yet skilled migration cannot be seen in isolation from unskilled movement. For example the movement of skilled people generates less-skilled jobs that may require importation of unskilled labour. Policies towards the less skilled tend to be more restrictive than those aimed at the highly skilled, so policies designed specifically to deal with the skilled may actually conflict with those designed to deal with other categories of migrants. A need for a more integrated approach clearly exists.

- *Difficulties of Definition*

The question of who is 'highly skilled' is problematic. Level of education is central to any classification and the OECD identifies as highly skilled those people in science and technology who are either in, or have completed, tertiary education. While this definition clearly includes those in medical sciences, any discussion of brain drain and health personnel usually incorporates nurses who might, under a strict interpretation of education level, be excluded from the highly skilled category.

It can be questioned how skilled some of those classified as "skilled" really are, whilst many of those considered as "less skilled" may actually be highly skilled. Skilled tradesmen such as plumbers, carpenters or bricklayers, for example, would not fall into the category of the highly skilled, whereas some highly successful entrepreneurs or businessmen or women might be excluded on the basis that they do not have any tertiary education, even though they clearly possess specific skills of a high level. On the other hand university graduates with some types of degree may have few marketable skills.

- *Difficulties of Measurement*

Data to relate skills with international migration are yet more problematic but the available data show that there is a flow of the skilled towards the developed world and that the flow has increased

over recent years, affecting some countries more than others. The gross figures by country seldom say much about local impacts as migration from any country tends to have very specific origins. That is, although the overall migration rate from a country such as India or China might be small, the rate from particular districts, towns or villages in these vast countries might be as high as that from a small country in the Caribbean, for example. So, attempting to assess the developmental impacts of the outmigration from gross national figures alone is unlikely to prove fruitful.

Patterns of Skilled Migration

The migration of the skilled reflects patterns of global migration. In the OECD countries alone, in 2000, it has been estimated by Docquier and Marfouk for the World Bank that there was a stock of 59 million migrants, of which some 34.6% or 20.4 million people were skilled migrants. More than 85 per cent of that total were to be found in just six countries, the United States (circa 50 per cent), Canada (13.5), Australia (7.5), the United Kingdom (6.2), Germany (4.9) and France (3.0).

In terms of brain drain, it is the origin of the skilled migrants that is of concern. Yet the countries of origin of migrants are also dominated by the developed countries themselves, plus a small number of middle-income and mostly rapidly growing developing economies.

22% of skilled migrants come from the old EU-15 (the UK alone accounts for 7%), with another 7% from Australia, Canada, New Zealand and the United States together. China and India add another 9% with the Asian tiger economies and the Philippines adding almost a further 12%. So, half of the skilled migrants to OECD countries come from 26 countries. Most go to the same group, in a system of brain circulation within the developed world.



Most highly skilled emigrants come from developed or rapidly developing economies

This is not surprising. Poor countries do not have the capacity to train large numbers of skilled people to become part of the pool of global migrants. However, the exodus of small numbers of skilled workers from a poor country might have a large relative impact on that

economy. For example, many small island countries of the Caribbean and the Pacific have over half of their skilled labour force overseas.

Excluding those countries with populations of less than 5 million, the data show that, of the 16 countries with more than one quarter of their educated population outside their borders, seven fall within the United Nations category of 'low human development'. Excluding Haiti, six of these seven are in sub-Saharan Africa: Mozambique, Kenya, Uganda, Angola and Rwanda, plus Somalia.

Existing Policy Options

The political response to the movement of skills from the developing to the developed world tends to see the migration in negative terms:

- Countries of origin wish to retain the skilled people that they have and want skilled nationals abroad to return.
- Countries of destination need the skills they import but are becoming increasingly conscious that this process may prejudice the development potential of countries of origin.

Policy options to tackle these concerns often assume the need to limit mobility. But such policies tend to be difficult to implement and also risk forcing migrants into alternative channels, possibly irregular. Restricting the opportunities for trained and professional workers to move also risks de-skilling them, so they are unable to use the full range of their skills in work they find abroad.

Another policy option that arises when discussing skilled migration is for a form of taxation to be paid by skilled migrants living overseas back to the home economy, to defray the costs of his or her education and to compensate for lost tax and productivity. However, migrant groups already send large amounts of capital back to their home economies either through remittances or through foreign direct investment. Should they then be expected to send more, and through channels that they would not directly control?

Difficulties also exist in identifying those who should contribute to the 'migrant tax'. Should those who have changed their citizenship to that of the country of destination be equally as liable as those who maintain their original citizenship? Would only those on non-

immigrant, temporary programmes be liable for the tax? Would permanent residents, new citizens and those benefiting from all the services in destination areas either pay lower tax to destination economies, and thus be subsidised by the indigenous non-migrant population, or would they be double-taxed?

These are difficult political and ethical issues that dwarf the sheer practical difficulties and costs that arise in actually collecting a tax from widely distributed and potentially highly mobile migrant populations. Finally, the principal destination countries would have to adopt similar policies towards each migrant group at more or less the same time or significant economic incentives might favour one destination over another.

An Alternative Approach

The developed world clearly benefits from importing skilled people, but much greater consideration needs to be given to where people are trained and who funds their training. Paying attention to this might help shift emphasis away from the individual skilled migrants towards the structure of training provision, which ultimately underpins the potential for skilled mobility. At present the developed world does recruit skilled workers from poor countries, but it also often provides advanced training for these workers. In turn this training is often as strong a reason for skilled people to migrate as is the chance to earn greater incomes.

For example, by combining public sources of aid with private sources of finance, developed countries could seek to build, fund and monitor centres of advanced training at key centres in the developing world. The centres would train men and women to the standards required of the developed world, thus avoiding the issues of accreditation. It would be accepted that many would migrate overseas but the costs of their training would be met from overseas sources.

There are political and ethical issues around such a move from the production of "designer immigrants" (foreign nationals trained in destination markets) to "designer emigrants" (nationals trained at home to overseas standards) but the origin country would benefit. Not all skilled migrants trained would choose to migrate, and if the schemes were successful, the numbers remaining could be expected to increase over time.

The training centres would provide opportunities for those in the diaspora to return to participate in the training in their home countries. The construction and maintenance of the centres would have an impact on local employment for the less skilled and have significant multiplier effects in local housing markets and in retailing.

Such a strategy could only be pursued at a regional, rather than a national level. Not all countries could support the establishment of such centres of excellence. Despite the obvious difficulties in introducing such a policy of overseas-funded training, it does appear to offer a compromise solution that could eliminate the tensions and contradictions in existing policy and provide a pathway towards an integrated policy that would achieve the objectives of both origin and destination economies.

Further Reading

Docquier, F. and A. Marfouk (2005) *International Migration by Educational Attainment (1990-2000) - Release 1.1*. Washington: The World Bank.

Kapur, D. and J. McHale (2005) *Give Us Your Best and Brightest: The Global Hunt for Talent and Its Impact on the Developing World*. Washington: Center for Global Development.

Lowell, B. L., A. Findlay and E. Stewart (2004) *Brain Strain: Optimising Highly Skilled Migration from Developing Countries*. London: Institute for Public Policy Research (IPPR), Asylum and Migration Working Paper 3.

OECD (2002) *International Migration of the Highly Skilled*. Paris: OECD.

Skeldon, R., (2005), *Globalization, Skilled Migration and Poverty Alleviation: Brain Drains in Context*. Migration DRC Working Paper T15. Brighton: University of Sussex http://www.migrationdrc.org/publications/working_papers/WP-T15.pdf

Wickramasekara, P., (2004), *Policy responses to skilled migration: retention, return and circulation*, Geneva: ILO. Perspectives on Labor Migration Series, <http://www.ilo.org/public/english/protection/migrant/download/pom/pom5e.pdf>

Development Research Centre on Migration, Globalisation and Poverty

The Migration DRC aims to promote new policy approaches that will help to maximise the potential benefits of migration for poor people, whilst minimising its risks and costs. It is undertaking a programme of research, capacity-building, training and promotion of dialogue to provide the strong evidential and conceptual base needed for such new policy approaches. This knowledge base will also be shared with poor migrants, contributing both directly and indirectly to the elimination of poverty.

How to Contact Us:

For further information on this research please contact the authors, Saskia Gent (s.e.gent@sussex.ac.uk) or Ronald Skeldon (r.skeldon@sussex.ac.uk).

For more information on the Migration DRC, please contact:

Sussex Centre for Migration Research
Arts C, University of Sussex
Falmer, Brighton BN1 9SJ
United Kingdom
tel: +44 1273 873394
fax: +44 1273 873158
email: migration@sussex.ac.uk
web: www.migrationdrc.org