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Original Article

Tackling Brain Drain through Laws and Good Governance to Support Economic Development

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Abstract

We are in a free world where freedom of movement is guaranteed. Even though freedom of movement is a fundamentally important freedom that everybody wants to have, unrestricted migration hurts economic growth; which is a powerful instrument to reduce poverty and improve the quality of life. This however is possible only with skilled human powers that migrate from place to place most of the time. Brain drain is very high in developing countries as skilled workforces migrate in search of better jobs in high-income countries. Ethiopia is not different from the above fact which resulted either from unrestricted free movement or the inexistence of good governance/political persecution. By emigrating qualified staff, the home state can no longer benefit from the results of investing in the training and qualification of human resources; the cost of which is an expense that it no longer recovers. Most of the time, migrant workers carry out activities that are inconsistent with their profession; since they are compelled; if not by force, by situation to accept jobs that are inferior to their profession. This results in profession discontinuity and loss of skills gained through practice; which negatively impacts the profession financed and time spent on learning a profession unutilized due to allowed migration. This urges enactment of restrictive laws on migration that result in brain drain in the home country on one hand, and demands good governance on the other hand to tackle brain drain caused due to maladministration and bad governance. The finding claims brain drain affects the economy of sending countries, and restricting free movement and outlawing skilled labor is the best option for sending

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countries including Ethiopia to support their economic development with skilled manpower.

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1. Introduction

The migration of intellectual manpower from less developed countries to more developed countries is a global phenomenon.¹ Such kind of phenomenon is commonly known as “brain drain” which is coined for the first time in the 1960s by the British Royal Society.² According to IZA World Labor, the term “brain drain” refers to the international transfer of human capital resources, and it applies mainly to the migration of highly educated individuals from developing to developed countries.³ Brain drain, also known as human capital flight, is a serious issue in many parts of the world, as skilled professionals seek out work abroad rather than returning to work in their home country. Many are driven away by high unemployment, but issues like political oppression, lack of religious freedom, and simply not being able to earn a big enough paycheck also play a significant role in exacerbating the brain drain. The phenomenon is not only a serious economic issue but one that often puts the health and safety of the

nation’s citizens at risk, creating long-term and potentially disastrous results for countries with high brain drain rates spanning several decades.⁴

It was said once on the global forum, “Migration of skilled professionals to promote development is a global issue, and is of concern to both poor and rich countries, albeit from opposite perspectives.”⁵ Rich countries need highly skilled professionals for knowledge-intensive economic activities, and, because of local shortages, these people must be recruited from poor and emerging market economy countries. For poor countries especially Africa and Asia the loss of specialists in IT, engineering, and medicine, has impacted far beyond the numbers involved.⁶ This brain-drain migration process denies these poorer regions the optimum utilization of the skills of those now in the Diaspora. To use Africa as an example: more than 100, 000 sub-Saharan Africans living in Europe and North America are professionals ironically, about the same as the number of expatriate professionals

¹ Nadia Sajjad, Causes and Solutions to Intellectual Brain Drain in Pakistan; the Dialogue Volume VI Number 1

² British Royal Society described brain drain as the outflow of scientists and technologists to the United States and Canada. It is normally used as synonymous with the movement of Human Capital, where the net flow of expertise is heavily in one direction as correctly said by Nadia Sajjad, in his article published in the dialogue volume VI Number 1.

³ IZA World of Labor 2014: 31, the brain drain from developing countries.

⁴ 10 Countries Facing the Biggest Brain Drain, <https://www.onlineuniversities.com/blog/2011/07/10-countries-facing-the-biggest-brain-drain>.

⁵ Aderanti Adepoju (2007), highly skilled migration: balancing interests and responsibilities and tackling brain drain p1.

⁶ The African continent has experienced mass migration not only to Europe but also to other parts of the world, and as previously mentioned; a large number of these migrants include students that are seeking education outside their country of origin. The United Nations estimates that about 3 percent of the world’s population (191 million people) lived in a country other than their country of birth, with 33 percent having moved from a developing country into a developed country. See Journal of Sociology and Social Welfare, 2007 for details.

employed by aid agencies as part of the overall aid package at a cost to the region of about \$4 billion.⁷

The 2005 UN report revealed the magnitude of the brain drain to sub-Saharan Africa over the next decades focusing on healthcare professionals. Accordingly, since huge numbers of professionals have flown out, sub-Saharan Africa needs to train an additional 1 million doctors, nurses, pharmacists, and laboratory technicians it currently produces. The report blames rich countries for contributing to the crisis by creating a ‘fatal flow’ of health professions from the region.⁸ Ethiopia for instance, produces a large number of qualified professionals; especially in the medical field, but is experiencing one of the worst brain drains of any country in the world.⁹ Attracted by better prospects overseas and in other African nations and pushed out by political persecution, Ethiopia’s best and brightest haven’t been sticking around after graduation. A recent study presented at the National Symposium on Ethiopian Diasporas revealed some shocking numbers, with the country losing about 75% of its skilled professionals over the past ten years. This exodus of highly qualified professionals has had a huge impact on the country, leaving it with too few physicians, engineers, and scientists to fill positions the country desperately needs to thrive economically.¹⁰ This huge loss in turn urges *sending countries*

to take necessary measures to tackle this problem. Given settling this problem, the article investigates some push and pull factors for brain drain and forward solutions.

Organizationally, the article is divided into five sections. Following this introductory section, section 2 explores the realities of brain drain in global and African contexts. This reality is observed in literature owing to the difficulty of getting empirical data. Section three is the push and pull factors of brain drain. The fourth section, explores the advantages and disadvantages of brain drain. Finally, the fifth section draws conclusions and recommendations.

2. Realities of Brain Drain in Africa and Global Context

“Brain drain” occurs when significant numbers of highly skilled nationals leave their State of origin to seek livelihoods abroad. This phenomenon can have detrimental effects on the economies of States of origin countries by hampering the growth and development of industries and service sectors where highly skilled nationals are needed.¹¹ An estimated 70,000 skilled professionals emigrate from Africa each year. Countering “brain drain” therefore should be the primary concern for African countries so as to mitigate its effects on national economies.¹² Recently, the migration phenomenon has witnessed globally changing geo-political prominence drain brain as the world sees larger numbers of migrants than at

⁷ United Nations (2003), “Reversing Africa’s ‘brain drain’: New initiatives tap skills of African expatriates”, Africa Recovery, Vol. 17, No. 2, New York.

⁸ United Nations (2005), “Africa needs 1 million health professionals” Africa Renewal, Vol.18, No 4 (January), New York.

⁹ David H. Shinn Adjunct Professor, Elliott School of International Affairs Adjunct Professor, Elliott School of

International Affairs (2002), the George Washington University, Reversing the Brain Drain in Ethiopia.

¹⁰ Binyam Tamene (2007), Ethiopia: Rate of Ethiopia Brain-Drain Alarming - Study <https://allafrica.com/stories/200709040438.html>

¹¹ The REVISED MIGRATION POLICY FRAMEWORK FOR AFRICA AND PLAN OF ACTION of AU (2018 – 2027) DRAFT p18.

¹² Ibid at 4.

any other time in history.¹³ Internationally, the number of migrants reached 244 million in 2015.¹⁴ This is 41% plus of the year 2000 migrant figure. Migrants from Africa reached 34 million, and nearly half of them were women.¹⁵ The migration of highly skilled Africans out of the continent has left many of the countries short of skills to meet the challenges of the twenty-first century. It is believed that the brain drain phenomenon began in Africa just after the independence of many countries, and has continued over the years.¹⁶ According to Wusu, the number of Africans heading out of the continent was initially small during the 1960s, but this later increased due to the deterioration of social, political, and economic conditions.

It is estimated that 27,000 highly educated Africans migrated to developed countries between 1960 and 1975; migration increased to 40,000 annually during the following decade. The number peaked at about 80,000 in 1987 but has leveled to about 20,000 a year since 1990.¹⁷ The battle for brains, or 'talent hunt', is propelled by the dynamics of knowledge-based economies, and based on the possibilities offered by technology and the globalization of economic activities. In many developed economies, highly qualified labor for knowledge-intensive activities is being recruited from poor and emerging market economy countries. For Nigerians and Zambians, highly skilled professionals

constitute about half or more of expatriates living in OECD countries; 20% of nationals of Benin, Tanzania, Zimbabwe, Cameroon, Lesotho, Malawi, and South Africa in the Diaspora are highly skilled professionals; more Ethiopian doctors are practicing in Chicago than in Ethiopia; over half of Malawian nurses and doctors have emigrated, and more Malawian doctors practice in Manchester, UK than in Malawi; 550 of the 600 Zambian doctors trained in medical school over the last decade have emigrated; Ghana has lost 60% of its doctors to Canada, Britain and the USA; 75% of Zimbabwe's doctors have emigrated since the early 1990s. About 23 000 university graduates and 50 000 executives leave sub-Saharan Africa annually and about 40 000 of them with PhD degrees now live outside Africa.¹⁸ All these figures show how the brain drain is affecting African countries in general. At the 38th Annual Medical Conference of the Ethiopian Medical Association, there was debate on the matter of brain drain in Ethiopia particularly on medical training calling at least training cost must be recovered if they fail to return to Ethiopia.

The problem of brain drain is addressed both in the UN 2030 agenda for sustainable development as well as the AU 2063 agenda. Agenda 2063 states that the eradication of poverty will be achieved, inter alia, through investing in the productive capacities (skills and assets) of our people. It also calls for

¹³ *Ib id.*

¹⁴United Nations Conference on Trade and Development, ECONOMIC DEVELOPMENT IN AFRICA REPORT 2018, Migration for Structural Transformation, Patterns and trends of migration.

¹⁵See For Detail

[Http://Www.Un.Org/En/Development/Desa/Population/Migration/Publications/Migrationreport/Docs/Migration-Regions-Infographics.Pdf.](http://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/migration-regions-infographics.pdf)

¹⁶ Wusu, O (2006). Politics and Economics of Africa, Vol 6. Nova Scotia Publisher, Inc p91.

¹⁷ *Ib id* at 92.

¹⁸IOM, 2004, Towards the development of an International Agenda for Migration Management, Berne Initiative Regional Consultations Resource Document, International Organization for Migration (IOM), Migration Policy and Research Department.

strengthening technical and vocational education and training through scaled-up investments, establishment of a pool of high-quality TVET centers across Africa, fostering greater links with industry and alignment to labor markets, to improving the skills profile, employability, and entrepreneurship of especially youth and women, and closing the skills gap across the continent; and building and expanding an African knowledge society through transformation and investments in universities, science, technology, research, and innovation; and through the harmonization of education standards and mutual recognition of academic and professional qualifications. Student and labor mobility can defuse the pressure of the youth bulge and result in “brain gain” and “brain circulation” if the youth can gain new skills through education and labor mobility. SDG 4 ensures inclusive and equitable quality education and promotes lifelong learning opportunities for all supports student mobility and stipulates in Target 4.b by 2020, substantially expand globally the number of scholarships available to African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programs, in developed countries and other developing countries.¹⁹ This knowledge production should however be maintained by tackling brain drain.

3. Push and Pull Factors of Brain Drain

The outflow of talented emigrants from developed market economies is covered in general using push-pull factors.²⁰ Push and pull factors regarding brain drain appear to be

rooted in the unequal economic development of the emigration and immigration countries. These factors will be dealt with as follows.

3.1 Push Factors

Looking first at the “push” factors, political persecution contributes much to the brain drain. The political environment need not be as severe as the Red Terror to encourage an exodus of skilled individuals. Poor human rights practices, political and/or arbitrary arrests coupled with a backlogged court system, intolerance of political dissent, lack of academic freedom, civil conflict and the ravages of war, illegal regime change, and favoritism based on ethnic affiliation are among the political reasons for the brain drain.

Political persecution which is related to bad governance takes the lion's share in causing brain drain. As envisaged in the post-2015 development agenda, governance will play a crucial role in shaping the Sustainable Development Goals by reducing brain drain. It is only possible to be achieved with governance; indeed with three aspects of governance.²¹ These three aspects are: good governance, which focuses on processes of decision-making and their institutional foundations; effective governance which focuses on the capacity of institutions to resolve problems of public policy and implement effective rules and equitable governance, which focuses on distributional outcomes and equitable treatment, including of the very poor and marginalized, is a third element of governance as goal. Generally, these three aspects of governance have

¹⁹ Supra note 11 at 14.

²⁰ Supra note 1.

²¹ Biermann, F., Stevens, C., Bernstein, S., Gupta, A., Kabiri, N., Kanie, N., ... Scobie, M. (2014). Policy Brief

3-Integrating Governance into the Sustainable Development Goals.

synonymy with democratic governance; and it is possible when democratic values and norms are engraved into the functioning of the state, society, and its institutions.²² Where there is no democracy and institutions that promote good governance ineffectively, which in most cases is prevalent in developing countries; brain drain is very high. Therefore, developments more importantly, Sustainable Development Goals (SDGs) are likely to fail unless more attention is given to addressing governance challenges which are crucial for the realization of sustainable development goals through reducing the outflow of skilled manpower to the outside world. All of these factors, in addition to others, occur somewhere in Africa today and some of them currently apply to Ethiopia. Several observers of the Ethiopian brain drain put political causes at the top of the list; others suggest the economic explanation is more appropriate.²³ As daily living conditions become more difficult, many professionals will look for opportunities elsewhere. A country with a weak economy, high unemployment, low wages, and considerable poverty is a prime candidate for a major brain drain. Ethiopia certainly fits this description. As said by a law student at Mekelle University, in a graduation paper regarding brain drain, Ethiopia's poor economy, together with political instability, are the two principal causes of brain drain problems.

Low salaries for professionals are often cited as the major culprit. Nigerian Internet whiz, Philip Emeagwali, who now lives in the United States, argued that unreasonably low wages

paid to African professionals are the primary cause. The Permanent Secretary of Kenya's Ministry of Health, Julius Meme, commented last year that low salaries for Kenyan doctors are the main reason that they leave the country. He pointed out that Kenyan doctors earned a maximum of \$414 per month compared to their South African counterparts who received up to \$2,600 monthly. Even this salary, of course, pales to that received in the United States. Dr. Seyoum Teferra reported that the average annual salary in 1997 for an Ethiopian professor at AAU was about eight percent of that of his counterpart in South Africa and just over 12 percent of the prevailing professorial salary in Zimbabwe. This shows low salaries also contribute to the brain drain problem in Ethiopia even though it cannot be considered a principal one; since low salaries weren't major problems before the 1974 revolution.

A related concern is the matter of professional opportunity, benefits, and development. This includes issues such as training and research opportunities, morale and job satisfaction, and human resource and management policies. Institutions that do poorly in these areas are more likely to lose staff to the brain drain. Most developing countries do not have particularly friendly working environments, healthy budgets, clear policies, and generous research funds. Dr. Demissie Tadesse of Alert Hospital found all of these factors to be wanting in Ethiopia in a paper he presented to the 38th Annual Medical Conference in Addis Ababa. He also cited the relative lack of

²² OECD. (2016). Official Development Assistance. *OECD Data*, (August), 5. Retrieved from <http://www.un.org/esa/ffd/ffd-follow-up/inter-agency-task-force.html%5Cnhttps://data.oecd.org/oda/net-oda.html>.

²³ Experts who have studied the brain drain point to a basket of economic reasons for causing or exacerbating the problems.

involvement of professionals in the decision-making process. I would add in the case of universities that a reluctance to grant autonomy to the university leadership at each campus contributes to low morale and encourages the seeking of employment overseas.

Some of the problems are seemingly mundane. Professionals become discouraged if they cannot afford to live in decent, albeit modest, housing. Poor supervision and limited career advancement opportunities add to the frustration. A study by Rachel Reynolds on the brain drain as it affects the Igbo²⁴ ethnic group found that an important factor in their decision to leave Nigeria was the lack of university teaching positions. Poorly equipped institutions where computers and access to the Internet are limited pose a serious handicap. Nigeria's Director of Information Technology told the 10th General Conference of the Association of African Universities in Nairobi last year that any university without full Internet connectivity over the next two years will not be able to fulfill its teaching and research role. Libraries that house a modest number of mostly out-of-date books, broken or dated lab equipment, and doctors who are not provided with rubber gloves for use during patient examinations underscore the problem. One should not underestimate the lack of psychological satisfaction that many professionals encounter in their working environment in the developing world, including Ethiopia. If they conclude that they cannot accomplish what they were trained for,

they become frustrated. Lack of access to professional literature and miniscule research budgets add to the problem.²⁵ So, a vicious cycle whereby professionals depart the country due in part to limited research opportunities, and then those who leave contribute to the problem by reducing the number of scholars who can conduct research is common in Africa in general and Ethiopia in particular. None of the above-mentioned "push" factors is easy to solve and they afflict all developing countries to some extent. The ones that could be ameliorated by huge amounts of money will be especially difficult to deal with in a country as poor as Ethiopia. Nevertheless, government policymakers and the managers of institutions such as universities and hospitals that employ significant numbers of professionals must understand that all of these factors contribute importantly to the brain drain.

3.2 The "Pull" Factors

Pull factors are as difficult as the "push" factors to resolve, in countries like Ethiopia that are experiencing a brain drain where there is no control over the "pull" factors. In most cases, these are the reverse sides of the "push" issues. If the economy is weak and wages are low in the country losing skilled personnel, the economy tends to be strong and wages high in the gaining country.²⁶ This is certainly the situation in North America and Europe. In a relative sense, it is even true for a country like South Africa that loses large numbers of professionals each year to North America and Europe but gains others from less developed

²⁴ Rachel R Reynolds (2004), *An African Brain Drain: Igbo Decision to Emigrate to US*, *Review of African Political Economy* p 275.

²⁵ For instance, Dr. Yoseph Hassen reported that the research environment in Ethiopia has deteriorated in recent years, due partially to the brain drain.

²⁶ Flahaux and De Haas *Comparative Migration Studies* (2016) 4:1 argued that neoclassical theories predicts decreases of migration as societies develop and income and other geographical opportunity gaps decrease upside down.

countries like Ethiopia. Losing countries also tend to have more political conflict and less political freedom while those that benefit from the brain drain have the opposite situation.

Beyond a peaceful political environment and high standard of living, perhaps the most important attraction of countries like the United States and Canada that are net beneficiaries is the opportunity to exercise fully one's professional training. Career advancement and job mobility are usually predictable. More attention is given to human resource policies, supervision, and training. Nations that benefit from the brain drain generally attach higher importance to the development of knowledge than losing countries do.²⁷ Institutions such as hospitals and universities usually have functional and up-to-date equipment and well-stocked libraries. Internet connectivity is nearly always complete and funded research opportunities are numerous. Benefit packages for health care, life insurance, and retirement are more common and generous.²⁸ There even tend to be fewer bureaucratic frustrations in developed countries. In this case, they selected the United States as the best place to pursue an education and profession. The importance of professional considerations in the movement of Ethiopians outside the country is considered by Dr. Seyoum Teferra; who cited in particular, their desire for more research, training, and professional advancement opportunities.

Some gaining countries, including the United States, have visa policies that encourage the brain drain. The United States has the Diversity Immigrant Visa Program, better known as the DV program which is intended to encourage

the immigration of underrepresented nationalities to the United States. The annual worldwide quota currently is 50,000 immigrants. Ethiopians have made extensive use of the DV program. In 2003, for example, 5,562 Ethiopians were selected at random by computer from all qualified candidates to apply for immigration. This is the third highest number worldwide after Ghana and Nigeria. To be eligible, an applicant must have completed a high school education or equivalent. It was my experience while serving in Ethiopia, however, that relatively few highly skilled individuals made their way to American shores via the DV program.

Other American visa programs target highly skilled individuals. The Immigration and Nationality Act provides an annual minimum of 140,000 employment-based immigrant visas (E category) that are divided into five preference categories. The program includes persons of extraordinary ability in the sciences, arts, education, business and athletics. Applicants in this category must prove they have sustained national or international acclaim and recognition in their field of expertise. Outstanding professors and researchers fall in this category. A second group includes professionals with advanced degrees or persons of exceptional ability in the arts, sciences or business. Another category includes investors who can invest at least a half million dollars. There are some very specific requirements for "E" visas. I have impression that few Ethiopians have used them.

The United States offers a variety of visas for temporary workers. The H-1B classification

²⁷Terrazas, M. A (June 2007). Beyond regional circularity: The emergence of an Ethiopian diaspora. Migration Information Sources. <http://www.migration>.

²⁸ For instance, Rachel Reynolds on his study on the Igbo who now live in the Chicago area found that a desire for higher education and professional achievement were the primary reasons they chose to leave Nigeria.

applies to persons in a specialty occupation that requires theoretical and practical application of a body of highly specialized knowledge requiring completion of a specific course of higher education. The O-1 classification applies to persons who have extraordinary ability in the sciences, arts, education, business, athletics or extraordinary achievements in the field of motion pictures and television. The Q classification is for participants in an international cultural exchange program for the purpose of providing practical training, employment, and the sharing of the history, culture and traditions of the alien's home country. Again, I don't believe very many Ethiopians have come to the United States using these kinds of visas. Several earlier presentations today suggested these special visas contribute in a more important way to the migration of Ethiopians to the U.S.²⁹ These all are causing brain drain though pull factor to developing countries as whole and Ethiopia too.

4. Pros and Cons of Brain Drain

Brain drain has both advantages and disadvantages. To start from cons of the brain drain, weakens economy by weakening employment structure. This happens as skilled workforce leave in search for better opportunities in developed countries.³⁰ This can be observed as the phenomenon of brain drain is a vicious circle of underdevelopment,

which brings shortage of educated and skilled workers in home countries.³¹ Another disadvantage of brain drain is wastage of money. It waste the money in the sense that the origin countries can no more collect what is paid for education of the migrating skilled man powers. Workers who emigrate will be replaced by expatriates with the same capabilities; but, they will ask for more expensive fees that lead to the inefficiency of the domestic economy. Brain drain causes huge losses to the human capital. This can be explained as education is one of the most important factors to improve the human capital; and if the educated people migrate then it is loss of human capital.

Detrimental effect of brain drain to economy is addressed by IZA. For instance, IZA Research Report No. 49³² revealed the decrease of employed population in Romania due to migration of working force from the country to the European Union resulting the decrease of local economy and decrease of the country's GDP due to the reduction of work potential and intellectual resources. In this regard, Monica underlined the disadvantages of free movement of people especially, for the country from which peoples migrate as follows:

"The inconvenience of labor migration for the country of home are: the loss of investment in human capital through the migration of highly skilled labor, the generation of a labor shortage

²⁹ Woldeyensae, Y. (September 2007). Optimizing the African brain drain: Strategies for mobilizing the intellectual diaspora towards brain-gain. A paper submitted at the Conference of Rectors, Vice Chancellors and Presidents of African Universities (COREVIP) in Tripoli, Libya, October 21-25, 2007.

³⁰ Gillian Brock, Prosperity in Developing Countries, the Effects Departing Individuals Have on Those Left Behind, and Some Policy Options, in GILLIAN BROCK & MICHAEL BLAKE, *DEBATING BRAIN DRAIN:*

MAY GOVERNMENTS RESTRICT EMIGRATION? 36, 37 (2015).

³¹ Essays, UK. (November 2018). Brain Drain Causes and Effects. Retrieved from <https://www.ukessays.com/essays/economics/the-theory-of-brain-drain-economics-essay.php?vref=1>

³² Martin Kahanec (2012), *Skilled Labor Flows: Lessons from the European Union*; Report under the World Bank ASEAN Labor Markets program funded by AusAid P9; see also Monica Madalina (n 2) 44.

in some areas, the stagnation of the economy, the aging of the population, and the decline in GDP due to the loss of creativity and neutralization the labor capacity of those who go to work abroad or even the decline in the competitiveness of the national economy as a result of the decrease in the qualitative characteristics of the labor resources".³³

Meanwhile, economic growth is the most powerful instrument for reducing poverty and improving the quality of life in both developed and developing countries.³⁴ This however is possible only with skilled human powers that migrate from place to place most of the time. Such migration affects the economy of sending countries; from which skilled human power migrate. Restriction of free movement and the outflow of skilled labor is the best option for sending countries a brain drain, which may hurt them in terms of gross domestic product (GDP).³⁵ Some researches³⁶ shows brain drain resulted in losses in the economy. Thus, one can conclude that the free movement of people has a negative effect on productivity; investment, trade, and knowledge transfer to improve the overall efficiency of sending and receiving labor markets; which in turn affects economic development that has a direct relation with poverty reduction. Whatever its source, migration has important impacts (either

positive or negative) on societies, and these can be controversial. The economic impact of migration is no exception.³⁷

These days, we are facing a global migration crisis of extraordinary proportion³⁸ as headlined by different media outlets. As of 2015, there were slightly more than 240 million migrants in the world. This all is a brain drain that negatively affects the economy; mainly sending countries. Even for destination countries, the concentration of immigrants hurts the economy in economic sectors, occupations, and regions; as market forces rush to fulfill unmet demand which could result in economic problems and cultural anxieties of local populations.³⁹ This is especially the case for domestic populations who have easily substitutable skills and occupations.

Besides the disadvantages, brain drain can also bring advantages to force the economic growth of the home countries. Reversing brain drain to brain gain happens in China and India. They managed to change brain drain into brain gain by decreasing the unemployment level, the improving quality of human resources, and the optimization of production capacity in the home countries boosting available alternate investment resources.⁴⁰ Remittance is another pros/advantage of brain drain to home countries.⁴¹ Globally, volume of remittances

³³ Monica Madalina (2018), Advantages and Disadvantages of Labor Migration, the Annals of the University of Oradea. Economic Sciences, Tom XXVII 2018, Issue 1 P45.

³⁴ Dani Rodrik (2007), Harvard University One Economics, Many Recipes: Globalization, Institutions and Economic Growth p 4.

³⁵ Supra note 33 at 9

³⁶ For instance, as cited by Ronald Skeldon (2014) on his article entitled migration and poverty, Ghana, for example, has lost 60 per cent of the doctors trained in the 1980s and a total of about 60,000 highly skilled workers are reputed to have fled African economies during the last half of the 1980s. The loss of large number of

Russian technicians may also be a significant factor in the rising poverty observed in the Central Asian republics.

³⁷ OECD Migration Policy Debates (2014) p 1

³⁸ World Bank (2018), *Moving for Prosperity: Global Migration and Labor Markets*; Policy Research Report. Washington, DC: World Bank. doi:10.1596/978-1-4648-1281-1. License: Creative Commons Attribution CC BY 3.0 IGO p10.

³⁹ Ibid 11.

⁴⁰ Supra note 31.

⁴¹ Adams RH. Policy research working paper 3069. International Migration, Remittances, and the Brain Drain. A Study of 24 Labor-Exporting Countries.

transfers to developing countries far exceeds Official Development Assistance (ODA), and has important macro-economic effects, by increasing the total purchasing power of receiving economies.⁴² Despite these advantages, in my opinion, the cons of brain drain outweighs than its pros/advantages as we are stretching hands for remittance losing the original hand that can produce much more than sending remittance. This calls for the need to tackle brain drain.

Until now, problems that could be caused by free movement of people are addressed. The following part addresses how limiting the free movement of people could reduce poverty on one hand and support economic development on the other hand. The assumption is that, laws affecting free movement of people reduce poverty in such a way that, working force will not leave the country as wished. Restriction forces professionals stay in their home country and make their profession work for their country; contributing their knowledge for productivity thereby causing once country harvest fertile mind's creativity.

One of prominent migration policy debate across the world is distortion of labor market that eventually results in political conflict and cultural classes when large numbers of undocumented migrants enter certain country. For instance, according to a study conducted by

AU Commission and IOM,⁴³ free movement deteriorate the already fierce job competition among citizens themselves when emigrant comes; which may result in unemployment when migrant are workers with higher skills. This destabilizes the area and paves the way for poverty. On the other hand, laws restricting free movement reduce such entry stabilizing the situation of migration that distorts labor market. In doing that laws restricting free movement of people reduce poverty and directly contributes to economic development. That is why most countries including U.S.A and EU are designing laws restricting free movement of people to their region. When restriction is backed with legal ground, youths with intention to migrate will not spend their precious time wondering to get a way for migration; rather they will create job in their home country and reduce poverty through productivity. In doing that, such law contribute to economic development that also reduces poverty.

Laws limiting free movement of people are an answer to brain drain which is dangerous for economic development particularly for sending country. Youth migration from rural to urban centres is common these days. Due to that, urban areas are becoming extremely overcrowded and overburdened, putting pressure on insufficient infrastructures,

The World Bank Report on Poverty Reduction and Economic Management Network Poverty Reduction Group. Washington, DC: World Bank Organization, 2003.

⁴² For instance, according to IOM remittance of women migrant workers account for half of the estimated \$601 billion in global remittances. International remittances has become a major source of foreign currencies for most African countries and have been found to be more stable, dependable and countercyclical than other forms of foreign currency inflows, such as Foreign Direct Investment (FDI) and ODA, thus sustaining

consumption and investment during recessions. In 2015, African economies received - both from overseas and Intra-African corridors – officially recorded remittances amounting to US\$ 66 billion. See The REVISED MIGRATION POLICY FRAMEWORK FOR AFRICA AND PLAN OF ACTION of AU (2018 – 2027) DRAFT for detail.

⁴³ African Union Commission and The International Organization For Migration (2018), Study On The Benefits and Challenges of Free Movement of Persons In Africa p54.

schools, health facilities, sanitation, and water systems.⁴⁴ This escalating urbanization has created a new context of poverty in which urban centers are overtaxed and unprepared to absorb increasing youth unemployment. Limiting the free movement is good for tackling such problems on the one hand; while it creates opportunities for pro-agricultural rural youth that elevate economic development on the other hand. This approach helps the government by providing the opportunity to diminish youth migration and marginalization, as well as reduce poverty.

When youths migrate from one country to another, the process of integration and labor market assimilation can be costly and daunting to new immigrants; making them unproductive despite their productive capacity. On one hand, adapting to a new work environment in the host state and newness to social and cultural values as well as language barriers will make immigrants unproductive. To be productive and make migration work for economic development, another cost must be incurred by immigrants in the process of integrating them to the new environment. Such integration requires immigrants to learn language in order to avert language barrier that makes them unproductive; technical training, and cultural integration which takes time. These investments depend on the duration of the stay that immigrant intends in a host country.⁴⁵ Meaning that, immigrants intending not to stay much in the host state are not willing to incur these costs which in turn limit their productivity leading them to poverty.

Socioeconomic disparities and security concern are problems directly related with free movement of people.⁴⁶ That was the main justification for Donald Trump to ban different Islamic states from entering the U.S.A. and the plan to erect a wall on the boarder of Mexico. Security on the other hand, reduces production resulting in poverty. This means free movement may an increase poverty; on the contrary, limiting free movement makes certain countries stable and creates favorable conditions for work which reduces poverty through laws limiting the free movement of people and supports economic development.

5. Conclusions and Recommendations

The high rate of the emigration of high-level educated workers from developing countries to the developed countries can inflict huge financial losses to the home countries. Although this brain drain phenomenon also has a positive impacts to both host and home countries the loss is even bigger. Thus, it is important to the home countries to find the solution to overcome this problem immediately. Problem of brain drain is common in both developed and developing but effect of brain drain to developing states like Ethiopia is very high. So developing states including Ethiopia have to tackle the problem by lowering push factors that can cause people to move and stay abroad. These factors are the political instability, poor living condition, bad governance/lack of good governance/ and the like.

Although Ethiopia cannot control the “pull” factors that contribute to the brain drain, it can

⁴⁴ Charlotte Min-Harris Youth Migration and Poverty in Sub-Saharan Africa: Empowering the Rural Youth; TOPICAL REVIEW DIGEST: HUMAN RIGHTS IN SUB-SAHARAN AFRICA p161.

⁴⁵ Supra note 38 at 24.

⁴⁶ Supra note 43 at 4.

do something about the “push” factors. Push factors derived from political persecution because of bad governance could be reduced by enhancing good governance. Policy-level intervention such as introducing restrictive laws on the emigration of Intellectuals for the sake of Ethiopia’s economic development could also tackle the brain drain. Introducing such a law may not be the only solution; working on the Ethiopians too so that they take responsibility for thinking for their country needs to be focused on. This could also bring change in reducing brain drain if we can buy hearts of skilled manpower. Such education could be broadcasted through media so that Ethiopians start taking some responsibility themselves. I would urge that this include those Ethiopians living in the Diaspora.

institutional framework, improve cybersecurity measures, protect personal data, and improve international cooperation, contributing to a safer and more secure digital environment. The Directive also establishes foreign currency saving accounts (FCY) for various entities and individuals, opens the securities market to foreign investors, and permits industry parks and Special Economic Zones to engage in transactions. Overall, these changes aim to liberalize and streamline foreign exchange transactions and regulations in Ethiopia. Looking at their contents and the amount of modifications they have made to the previous forex regime, these new regulations do have far-reaching repercussions on FDI in Ethiopia. Yet the practical effects of the new law on FDI are yet to be seen.

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