

The term 'brain drain': pakistan



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I shall make an endeavor to reach to the causes and their outcomes due to brain drain on developing countries like Pakistan. My research focus will be upon the district of Rawalpindi (Pakistan). Rawalpindi is an important location which houses many industries, commercial areas, universities/colleges and military headquarters.

The ever-increasing Pakistani Diaspora through the migration of skilled labor from Pakistan to industrialized nations in Europe, North America and oil-rich Middle East has contributed to a professional brain drain in the country. In recent years, the uncertain political situation and better job opportunities abroad has allowed many Pakistanis to seek prospective interests outside the country.

Now I would like to explain certain terms to high light the subject:-

2. INTRODUCTION

The term “ brain drain” designates the international transfer of resources in the form of human capital i. e., the migration of relatively highly educated individuals from the developing to developed countries. This phenomenon, in the terminology of development economics refers to the loss of high quality manpower, which was once productively employed in the native country. The last decade has seen an increase in the international mobility of highly skilled, talented individuals in response to the expansion of the knowledge economy accompanying globalization. (Nadeem and Ashfaq, 2006)

This international movement of human capital can be identified, in practice, as the movement of scientists, doctors, educationists, engineers, executives,

and other professionals across frontiers. These are people with special talents, high skills and specialized knowledge. The irony of international migration today is that many people who migrate legally from poor to richer lands are the ones that the Third World Countries can least afford to lose: the highly educated and skilled. Since the great majority of these migrants move on a permanent basis, this perverse brain drain not only represents loss of valuable human resources but could prove to be a serious constraint on the future economic progress of Third World nations. (Nadeem and Ashfaq, 2006) Unfortunately, in Pakistan we have not paid due attention to the general education of the masses and as a result, the country is far behind than others of the region in education sector. According to official sources, the current literacy rate in Pakistan is 51.6 per cent where female literacy rate is 39 per cent while that of male is 64. It means that two women out of every three and one man out of every three men are illiterate. (Nasir Nadeem and Dr. Muhammed Ashfaq, DAWN - Business, 18 October, 2006)

Currently, Pakistan is also facing the problem of brain drain. The migration of professionals to other countries such as the US, Canada, Australia, New Zealand and particularly the Middle East has increased considerably in recent years. Young, educated, and skilled Pakistanis, particularly engineers, doctors, IT experts, scientists and other professionals have either left the country or are planning to do so. This situation hinders the government from achieving its proposed goals. To date, no serious efforts have been made to stop this disastrous brain drain. And one of the main reason of for that brain drain is lack of proper career planning that's why people don't see their career flourishing in the future and so they move across borders.

2. 1. BRAIN DRAIN: The term brain drain was coined by the Royal Society to describe the emigration of “ scientists and technologists” to North America from post-war Europe. Another source indicates that this term was first used in the United Kingdom to describe the influx of Indian scientist and engineers. The converse phenomenon is “ brain gain”, which occurs when there is a large-scale immigration of technically qualified persons. There are also relevant phrases called “ brain circulation” and “ brain waste”.

Brain drain is common amongst developing nations, such as the former colonies of Africa, the island nations of the Caribbean, and particularly in centralized economies such as former East Germany and the Soviet Union, where marketable skills were not financially rewarded.

2. 2. BRAIN GAIN: An opposite situation, in which many trained and talented individuals seek entrance into a country, is called a brain gain; this may create a brain drain in the nations that the individuals are leaving. A Canadian symposium in the late 1990s gave circulation to the new term, in response to Canada luring more skilled professionals to the country than it lost.

In 2000, the US Congress announced that it was raising the annual cap on the number of temporary work visas granted to highly skilled professionals under its H1B visa program, from 115, 000 to 195, 000 per year, effective through 2003. That suggests a rough figure for the influx of talent into the United States at that time. A significant portion of this program was initiated by lobbyists from the computer industry, including Bill Gates.[99] In the same year the government of the United Kingdom, in cooperation with the

Wolfson Foundation, a research charity, launched a £20 million, five-year research award scheme aimed at drawing the return of the UK's leading expatriate scientists and sparking the migration of top young researchers to the United Kingdom.

2. 3. EFFECTS OF BRAIN DRAIN ON PAKISTAN

While Pakistan is a semi-industrialized country that has not overtly been affected by a brain drain, a continuous emigration of professionals is thought to be an impediment in its long-term economic growth. Each year, thousands of highly qualified doctors, engineers and scientists are said to move abroad, the most visible effect being an overall loss of skilled human resources. ('Pakistan the worst-hit country by brain drain', Daily Times (Pakistan))

3. RESEARCH QUESTION

Human capital flight, more commonly referred to as “ brain drain”, is the large-scale emigration of a large group of individuals with technical skills or knowledge. The reasons usually include two aspects which respectively come from countries and individuals. In terms of countries, the reasons may be social environment (in source countries: lack of opportunities, political instability, economic depression, health risks, etc.; in host countries: rich opportunities, political stability and freedom, developed economy, better living conditions, etc.). In terms of individual reasons, there is family influence (overseas relatives), and personal preference: preference for exploring, ambition for an improved career, etc. Although the term originally referred to technology workers leaving a nation, the meaning has broadened into: “ the departure of educated or professional people from one country,

economic sector, or field for another, usually for better pay or living conditions". Brain drain is usually regarded as an economic cost, since emigrants usually take with them the fraction of value of their training sponsored by the government or other organizations. It is a parallel of capital flight, which refers to the same movement of financial capital. Brain drain is often associated with de-skilling of emigrants in their country of destination, while their country of emigration experiences the draining of skilled individuals

4. LITERATURE REVIEW

Brain drain, the diffusion of skilled human capital, particularly scientific and technical human capital (STHC), from home to host country, is of concern to many nations. Traditional brain drain 'control' policies target the human capital embodied in a skilled individual. Based on a case study of brain drain panic in New Zealand in 2000, this paper explores new 'stimulation' brain drain policy approaches, including building research excellence and exploiting the diaspora, that take into account the situated and networked nature of STHC. Diaspora policies imply a reframing of 'national' STHC no longer circumscribed by geographic boundaries but by national affiliation. (Panic and panacea: Brain drain and science and technology human capital policy, Sally Davenport, Research Policy, Volume 33, Issue 4, May 2004)

Is the brain drain a crucial issue or sensationalized exaggeration? To the degree it is important, what are the policy options? In particular, what measures could be taken that would not change the basic nature of the country? Specifically, is cutting taxes a reasonable policy suggestion well-

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suitable to the problem or a mal-fitting strategy propounded by those who want less government to further that political agenda? (The Brain Drain: Myth and Reality - What it is and what should be done, Finnie, Ross, Institute for Research on Public Policy, 26-Feb-2009.)

The migration of scientists and engineers between countries with different levels of development has long been a critical issue and an unsolved problem. Today, with the global knowledge-based economy increasingly relying on science and technology (S&T) skills and generating their international flows more than ever before, the issue has become even more crucial. However, the terms in which this concern is being addressed are changing, possibly giving way to new solutions. The rise of intellectual, especially S&T, diaspora networks during the last decade all over the developing world indicates such a new trend. Though the experiences differ from one country to the other, they all share the goal of systematically using their expatriate experts, scientists and engineers for development at home. Some lessons and policy implications may already be extracted from these recent attempts. They should pave the way for an efficient use of the S&T diasporas. These are indeed strong potential resources for effective and mutually beneficial co-operation between developing and highly industrialized countries. (Scientific Diasporas: A New Approach to the Brain Drain, Jean-Baptiste, Meyer and Mercy Brown, Prepared for the, World Conference on Science, UNESCO - ICSU, Budapest, Hungary, 26 June 1999).

Increasingly, immigration policies tend to favor the entry of skilled workers, raising substantial concerns among sending countries. The “revisionist” approach to the analysis of the brain drain holds that such concerns are largely unwarranted. First, sustained migratory flows may be associated with an equally large flow of remittances. Second, migrants may return home after having acquired a set of productive skills. Finally, the ability to migrate abroad may boost the incentive to acquire skills by home residents. (The Brain Drain: An Unmitigated Blessing? Riccardo Faini, Deceased, September 2003).

In most destination countries, immigration policies are increasingly tilted toward the most skilled individuals. Whether this shift hurts economic prospects in sending countries, as argued by the traditional brain drain literature, is somewhat controversial. The most recent literature has focused on the link between skilled out-migration and educational achievements. In this paper, we emphasize a different channel. It is often argued that skilled migrants raise economic welfare at home thanks to a relatively larger flow of remittances. Skilled migrants typically earn relatively more and, ceteris paribus, will therefore remit more. However, they are also likely to spend a longer span of time abroad and also are more likely to reunite with their close family in the host country. Both factors should be associated with a relatively smaller flow of remittances from skilled migrants. Hence, the sign of the impact of the brain drain on total remittances is an empirical question. We first develop a simple model showing that skilled migrants may have indeed a lower propensity to remit home out of a given flow of earnings abroad. We then derive an empirical equation of remittances and estimate it on a large panel of developing countries. As a measure of the brain drain, we use the dataset by Docquier and Marfouk (2004) that in turn builds on the pioneering work of Carrington and Detragiache (2004). We find considerable evidence that the brain drain is associated with a smaller flow of remittances. (Remittances and the Brain Drain, Riccardo Faini, Deceased, IZA Discussion Paper No. 2155, May 2006)

Talent flow is a process whereby economically valuable individuals migrate between countries, and is arguably a more important global career influence than international flows of personnel within global organizations. In this article, we reject the term brain drain as too restrictive and focus on the psychology of migration, specifically the economic, political, cultural, family, and career forces motivating it. Boundary-less global careers are presented as individual phenomena combining into macro-level international effects. These talent flow concepts have HR policy implications at both national and organizational levels. In support of our arguments, we provide a case study of New Zealand, along with preliminary data from a large sample of New Zealand expatriates. (From global careers to talent flow: Reinterpreting 'brain drain', Stuart C. Carr, Kerr Inkson, Kaye Thorn, Journal of World Business, Volume 40, Issue 4, November 2005)

In most destination countries, immigration policies are tilted more and more in favor of skilled individuals. Whether this shift hurts economic prospects in sending countries, as argued by the traditional brain drain literature, is somewhat controversial. The most recent literature focuses on the link between skilled out-migration and educational achievements in the home country. This article emphasizes a different channel. It considers the argument that skilled migrants raise economic welfare at home by sending a relatively larger flow of remittances. While skilled migrants typically earn more, and so might be expected to remit more, they are also likely to spend more time abroad and to reunite with their close family in the host country. These second two factors should be associated with a smaller propensity to remit. Thus, the sign of the impact of the brain drain on total remittances is an empirical question. A simple model has been developed showing that skilled migrants may indeed have a lower propensity to remit from a given flow of earnings. An empirical equation of remittances is estimated as a measure of the brain drain in developing countries using the Docquier and Marfouk (2004) data set. Evidence is found that the brain drain is associated with a smaller propensity to remit. (Remittances and the Brain Drain: Do More Skilled Migrants Remit More? Riccardo Faini, World Bank Economic Review, 2007)

Over the years, Taiwan has experienced “ brain drain”, as more than 80 percent of its students who completed their graduate study in the United States have failed to return. Instead, they have found their ways into the faculties of American colleges and universities or employment opportunities in various research organizations and industries.

This article examines brain drain, its origin in Taiwan, and government response. One of the major findings of this study is that the elite emigration in Taiwan has been caused by a host of complex academic, social, economic, and personal factors.

Second, Taiwan’s brain drain into the United States is primarily a case of “ education and migration.” It is an outflow of college graduates, not an exodus of trained scientists and engineers; therefore, Taiwan’s manpower loss in the short run is not as serious as the case where mature and experienced scientists and professionals leave. Furthermore, whereas a large number of college graduates leave each year to study abroad, a much larger number of the graduating class does remain in Taiwan.

To reverse Taiwan’s brain drain, the government of the Republic of China (ROC) has already implemented an ambitious program to recruit Taiwan’s highly trained talents from overseas. Taiwan’s successful experience could be emulated by other developing countries. (Causes of brain drain and solutions: The Taiwan experience, Shirley L. Chang, Studies In Comparative International Development, Spring 1992)

This article seeks empirically for some effects in the migration flows from East European countries to Germany. Using previously unpublished Eurostat data we find that highly qualified persons tend to immigrate over-proportionally into Germany so that the stock of human capital within the sending countries is reduced. With the help of a panel data analysis we then estimate a European production function and find that the share of highly qualified persons in the population has a significant and positive effect on the explanation of income differentials across the EU(12) countries. Using the obtained parameters of the production function for the East European countries we calibrate the welfare effects of the brain drain. Our major findings are: First, Germany gains from migration from Eastern Europe whereas Eastern European countries lose from free migration because the average stock of human capital is lowered. Second, the overall increase in income is positive, thus international welfare increases. Third, taking remittances into account does not alter the qualitative findings, international migration, east enlargement of the European Union, externalities of human capital, (new) growth theory, macroeconomic simulation models. (Brain Drain and Brain Gain in Europe: An Evaluation of the East-European Migration to Germany. Thomas Straubhaar, Martin R. Wolburg)

The aim of this paper was to shift the focus from a negative prejudice about immigration towards a much more positive evaluation. More and more the migration pattern changes from a blue-collar migration of low qualified workers towards a white collar mobility of highly skilled professionals. It has to be stressed strongly that – strikingly enough – most migrants are relatively well qualified. Just to mention a new IMF study (Carrington/Detrage 1999: 47), the US data show that immigration flows of individuals with no more than a primary education are quite small, and reach only about 500? 000 individuals out of a total of 7 million immigrants! ? For most countries, people with a tertiary education have the highest migration rate ... Thus, migrant to the United States tend to be better educated than the average person in their home (that is the sending) country, and the proportion of very highly educated people who migrate is particularly high. (Carrington/Detrage 1999: 48). So, these data clearly indicate that there is a substantial brain drain. Another question of quite similar importance is, why the US only should get a brain gain. Why not the EU? The immigration of highly skilled is crucial and decisive for growth and wealth of nations in the 21st century. Once again this is clearly seen and strategically developed in the US. The USA attracts highly skilled people from all over the world because of a number of natural as well as artificial benefits (sun, sea, and sand, close relations between industry and universities etc.) and, therefore, experiences a Brain Gain that stimulates growth. In the case of Europe, mobility is mainly intra-European, representing a Brain Exchange. This is being fuelled by the Europeanization of production and the creation of an internal labor market. However, the EU lacks the magnetic power to attract high skilled foreign

scientists and to become leading centers of research intensive (service) production. For Eastern Europe there is a fear of a Brain Drain that will not be directed towards the EU but rather towards the US. (International mobility of the highly skilled: brain gain, brain drain or brain exchange, Straubhaar, Thomas, HWWA Discussion Paper, Hamburgisches Welt-Wirtschafts-Archiv, 2000)

This paper constructs a two-sector overlapping-generations model of endogenous growth to study the effects of brain drain on growth, education and income distribution. It is shown that brain drain reduces the economic growth rate and generally hurts the non-emigrants through the static income-distributional effects and the dynamic damage on economic growth and human capital accumulation. If the initial rate of human capital accumulation is relatively low, brain drain could deteriorate both the sum of discounted income and lifetime discounted utility of a representative non-emigrant. The government can choose to spend more on education to lessen the detrimental growth effects of brain drain. (Education, economic growth, and brain drain, Kar- yiu Wong, Chong Kee Yip, Journal of Economic Dynamics and Control, Volume 23, Issues 5-6, April 1999)

This report aims to update recent trends in emigration from Australia, present findings of a survey of a subgroup of Australians residing overseas, and to discuss a number of policy implications relating to emigration from Australia. (Australia's Diaspora: Its Size Nature and Policy Implications, Hugo, Graeme John Rudd, Dianne M., Harris, K. R., Committee for Economic Development of Australia, 2003)

Skills emigration or the 'brain drain' has become a major policy and research issue at the national, regional and continental level in Africa. African governments emerged from colonialism with a woefully inadequate skills base. After independence, most invested heavily in skills creation, universalizing access to primary and secondary education, setting up new universities and training colleges, offering generous financial support in the form of grants and bursaries to students, and sponsoring the brightest and most promising to go overseas for advanced training. Coupled with a complementary strategy of temporary import of expatriate skills, this strategy seemed to pay off in many countries. The skills base of many countries expanded rapidly and most locally-trained citizens were absorbed into the public and private sectors. (States of Vulnerability: The Future Brain Drain of Talent to South Africa, Crush, Jonathan; Campbell, Eugene; Green, Thuso; Nangulah, Selma; Simelane, Hamilton, Southern African Migration Programme, 11-Feb-2011)

Using new data on emigration rates by education level, we examine the impact of brain drain migration on human capital formation in developing countries. We find evidence of a positive effect of skilled migration prospects on gross human capital formation in a cross-section of 127 countries. For each country of the sample we then estimate the net effect of the brain drain using counterfactual simulations. Countries combining relatively low levels of human capital and low emigration rates are shown to experience a 'beneficial brain drain', and conversely, there are more losers than winners, and the former tend to lose relatively more than what the latter gain. (Brain Drain and Human Capital Formation in Developing Countries: Winners and

Losers, Michel Beine, Frédéric Docquier, Hillel Rapoport , The Economic Journal, April 2008)

An original data set on international migration by educational attainment for 1990 and 2000 is used to analyze the determinants of brain drain from developing countries. The analysis starts with a simple decomposition of the brain drain in two multiplicative components, the degree of openness of sending countries (measured by the average emigration rate) and the schooling gap (measured by the education level of emigrants compared with natives). Regression models are used to identify the determinants of these components and explain cross-country differences in the migration of skilled workers. Unsurprisingly, the brain drain is strong in small countries that are close to major Organization for Economic Co-operation and Development (OECD) regions that share colonial links with OECD countries, and that send most of their migrants to countries with quality-selective immigration programs. Interestingly, the brain drain increases with political instability and the degree of fractionalization at origin and decreases with natives' human capital. (Brain Drain in Developing Countries, Frédéric Docquier, Olivier Lohest, Abdeslam Marfouk, World Bank Economic Review, 2007)

This paper explores the “ brain drain” hypothesis – the idea that New Zealand is losing many of its most talented citizens to other countries. We conclude that we are experiencing more of a brain exchange than a brain drain. There have been net outflows of New Zealand citizens for forty years, and we have been replacing those leaving with non-New Zealand citizens. On the basis of the data available, our immigrants appear to be more skilled

than our emigrants (and than our general population). But there may be some cause for concern if immigrants cannot get jobs to make use of their skills. Migration flows to and from Australia are different from those with the rest of the world. New Zealand consistently loses its citizens to Australia, but they are not just the highest skilled. Instead, they are representative of the general population of New Zealand. That is, there is no brain drain to Australia either, but what might be called a “ same drain”. This is likely to be a consequence of the common labor market. Policy responses could focus on both outflows and inflows. Limited policy levers exist for attracting and retaining New Zealand citizens within the country, other than making the country a more attractive place to work, and live. The key policy issue for inflows is the improvement of the selection, settlement, and integration of immigrants. The paper ends by calling for a more sophisticated debate on immigration and emigration, and a more accurate conception of what will be an ongoing trend - that is, the increasingly free flow of people (including New Zealanders), around the globe. (Brain Drain or Brain Exchange? Hayden Glass, Wai Kin Choy, New Zealand Treasury, 2011)

The demand for skilled labor is rising dramatically worldwide to meet the needs of a global economy driven by high-technology goods and services. Advanced industrial societies-the United States, Japan, the countries of Western Europe-are becoming more dependent on foreign scientists, engineers, and computer programmers to propel their economic growth. And emerging economies-such as India, China, and South Africa-are increasingly recognizing the need to stem the outflow of their own domestic professionals. (The International Migration of the Highly Skilled: Demand,

Supply, and Development Consequences in Sending and Receiving Countries, Wayne Cornelius, Thomas Espenshade, and Idean Salehyan, Center for Comparative Immigration Studies Anthologies, 2001)

The paper reviews and synthesizes the theoretical analyses of the brain drain in the earlier literature and in the present symposium in the Journal on the subject. Static analysis and dynamic analysis are distinguished, critical issues are raised relating to how welfare changes should be discussed in the context of migration, and possibilities of fruitful future research are outlined. (Welfare-theoretical analyses of the brain drain, Jagdish Bhagwati, Carlos Rodriguez, September 1975)

When productivity is fostered by both the individual's human capital and by the average level of human capital in the economy, individuals under-invest in human capital. A strictly positive probability of migration to a richer country, by raising both the level of human capital formed by optimizing individuals in the home country and the average level of human capital of non-migrants in the country, can enhance welfare and nudge the economy toward the social optimum. Under a well-controlled restrictive migration policy, the welfare of all workers is higher than in the absence of this policy. (Rethinking the Brain Drain, Oded Stark, University of Vienna, Austria, World Development, January 2004)

For the past two decades, network approaches have led to many conceptual and empirical developments in the studies of international migration as well as of technological innovation. However, surprisingly, such approaches have

hardly been used for the study of what is at the intersection of both fields, namely the mobility of highly skilled persons or knowledge workers.

This article draws on recent evidence brought by case studies on intellectual diaspora networks to bridge this gap and to explore the issue. These highly skilled expatriate networks, through a connectionist approach linking diaspora members with their countries of origin, turn the brain drain into a brain gain approach. These persons and groups also provide original information that questions conventional human capital based assumptions.

The article argues that descriptions in terms of network open interesting perspectives for the understanding as well as management of the current global skills' circulation. The network approach under consideration combines input from migration as well as from innovation studies. This suggests an expanded version of the network approach, referring to actors and intermediaries, of which traditional kinship ties are but a part of more systematic associative dynamics actually at work. (Network Approach versus Brain Drain: Lessons from the Diaspora, Jean-Baptiste Meyer, International Migration, 16 DEC 2002)

The paper assesses the global effects of brain drain on developing economies and quantifies the relative sizes of various static and dynamic impacts. By constructing a unified generic framework characterized by overlapping-generations dynamics and calibrated to real data, this study incorporates many direct impacts of brain drain whose interactions, along with other indirect effects, are endogenously and dynamically generated. Our findings suggest that the short-run impact of brain drain on resident

human capital is extremely crucial, as it does not only determine the number of skilled workers available to domestic production, but it also affects the sending economy's capacity to innovate or to adopt modern technologies.

The latter impact plays an important role particularly in a globalized economy where capital investments are made in places with higher production efficiencies *ceteris paribus*. Hence, in spite of several empirically documented positive feedback effects, those countries with high skilled emigration rates are the most candid victims to brain drain since they are least likely to benefit from the "brain gain" effect, and thus suffering from declines of their resident human capital. (Brain Drain in Globalization: A General Equilibrium Analysis from the Sending Countries' Perspective, Luca Marchiori, I-Ling Shen, Frédéric Docquier, Centre for Research on Environmental Appraisal & Management, UK, Discussion Paper No. 4207)

The health workforce is of strategic importance to the performance of national health systems as well as of international disease control initiatives. The brain drain from rural to urban areas, and from developing to industrialized countries is a long-standing phenomenon in the health professions but has in recent years taken extreme proportions, particularly in Africa. Adopting the wider perspective of health workforce balances; this paper presents an analysis of the underlying mechanisms of health professional migration and possible strategies to reduce its negative impact on health services.

The opening up of international borders for goods and labor, a key strategy in the current liberal global economy,