



The Economic Development of Africa and the Human Capital Migration to the Advanced Industrial Countries

William Kwame Dadson
Economics and Business Administration
Lincoln University of Pennsylvania
Lincoln, PA 19352
wdadson@lincoln.edu

The migration of human capital from any country poses a great concern to the economic development of the source country. Since the Second World War, policy makers have developed a great concern about brain drain. In some theoretical literature, some economists believe that the direct impact of a sizable brain drain will lead to a reduction in economic growth of the source countries (Lowell, 2001). By brain drain, we mean the loss of great number of well trained professionals leaving their countries to seek greener pastures in advanced industrial countries. For the developing countries, it represents a loss of investment in education. To some others the migration of human capital is not a total loss to the migrant source countries. Because it yields positive economic benefits to the source countries in the form of remittances.

The purpose of this study is to investigate the costs and benefits of human capital migration on Sub-Sahara Africa in terms of its economic growth and poverty reduction. Some researchers are of the opinion that whether a brain drain through the migration of human capital leads to a decline in the economic growth of the sending country depends upon the extent to which its negative effects are offset by favorable economic and migratory feedback effects: there is other notion that there may be an optimal level of emigration or a "Beneficial brain drain" (Beine et al 1999;Mountford 1997). In the 1970s, a repatriation of the direct brain drain tax to the source countries was advocated. The proponents of this tax felt that this could offset the adverse effect human capital emigration. Others advocated restrictive entry policies by the receiving countries. This was looked upon as an infringement on the rights of the individual immigrants as well as impeding positive feedback effects. Some suggestions were put forwards to encourage the return of immigrants to their home countries by the receiving



nations. This was considered beneficial to the source countries. These suggestions are yet to be acted upon by the receiving nations.

During the investigation, the researcher will seek answers to these questions: What is the role of the source countries in the migration of their citizens? What is role of the receiving countries in this migration process? What are the costs and benefits to the source nations? What is the perception of the source countries to human capital migration and how is this linked to the national economic development? What are the implications of human capital migration for national economic development and poverty reduction in the source countries? What kind of agreements are currently in place between the source countries and the receiving countries?