



ROYAL NORWEGIAN EMBASSY  
BUCHAREST

Austrian Cooperation

Eastern Europe

**K**ULTUR  
*kontakt*

AUSTRIA

**Task Force  
Education  
And Youth**



**INTERNATIONAL ROUNDTABLE**  
**ON**  
***BRAIN DRAIN AND THE ACADEMIC AND INTELLECTUAL  
LABOUR MARKET  
IN SOUTH EAST EUROPE***

UNESCO-CEPES, Bucharest, Romania, 18-19 June 2004

**CONCLUSIONS AND POLICY  
RECOMMENDATIONS**

*(25 June 2004)*



## 1. Background

The participants in the International Roundtable on *Brain Drain and the Academic and Intellectual Labour Market in South East Europe* explored, in a series of national case studies and topical papers, as well as in extensive discussions, the current state of the brain drain phenomena in Albania, Bulgaria, Croatia, Serbia and Montenegro, FYR of Macedonia, Republic of Moldova, and Romania, while also undertaking an evaluation of the emerging intellectual labour markets. When considering current developments, the participants also reflected on a set of policy recommendations. In what follows, a brief presentation of the participants' conclusions and policy recommendations is made.

The participants' conclusions and recommendations are, first of all, addressed to their fellow academics, researchers and university leaders from South East Europe in order to inform them about the most recent developments in the field. Secondly, the participants expressed the view that such conclusions and policy recommendations should be considered by policy makers from South East Europe in their attempts to reduce brain drain and stimulate the development of national academic and intellectual labour markets.

Finally, the conclusions and policy recommendations put forward in this document may also be considered complementary to the outcomes of reflections focusing on brain drain in other parts of Europe and in other regions of the world. The UNESCO-CEPES International Roundtable may thus be considered as opening a wider dialogue in which South East Europe shall have a more vocal presence in the future.

## 2. The Increased Mobility of Highly Skilled Professionals as a Global Phenomenon

International mobility of human capital increased steadily towards the end of the Twentieth Century and since the beginning of the Twenty-First Century throughout the world. This increase is part and parcel of the globalisation process and is directly related to the emerging knowledge society and economy. It involves increasingly people with higher levels of education and qualifications and consists of either temporary or permanent migration.

The flows of migration are not necessarily symmetrical between countries and regions of the world. While among the OECD countries the international mobility of human capital would usually follow the pattern of "brain circulation", involving mostly temporary skilled migrants, the movement from developing to developed countries, including that specific to South East Europe takes mostly the form of brain drain, that is of an international unidirectional transfer of highly educated professionals, often on a permanent basis.

## 3. Brain Drain in South East Europe

While during the period before 1990 brain drain was somewhat limited in the countries of South East Europe, due to strict immigration laws, since then the relative cumulative "loss of brains" is estimated to have been increasing constantly. The push/pull factors are equally strong for undergraduate and postgraduate students, academics, researchers, IT specialists, engineers and medical doctors, as well as business executives and managers. While accurate, reliable, time series data on emigration rates by levels of education and

qualification are not easily available in the countries of South East Europe, estimates show that significant proportions of the population with higher levels of education and qualifications have migrated to North America, Australia and Western Europe. In addition to this external migration, particularly from the higher education sector, transfers of staff from universities and research institutes to the private sector have generated an “internal brain drain”. This has changed the economic opportunities and the academic and intellectual pursuits of individuals, thus increasing academics’ and researchers’ wider participation in the real economy, but also depriving some higher education and research institutions of some of their most qualified staff.

The higher migration rates of educated professionals from South East Europe are thus influenced by both internal and external factors. Internally, most of the countries in the region are confronted with the processes of transition which are affecting the organization of polity, economy and society as a whole. Among the newly emerging markets, the academic and intellectual labour market has proved to be one of the most dynamic, offering new incentives and opportunities for highly skilled academics, researchers and professionals to migrate from publicly underfunded universities and research institutes to newly established private companies. Sometimes, as illustrated by the events of the 1990s in former Yugoslavia, due to war, economic collapse or to religious, ethnic or political conflicts, highly skilled individuals flee their countries, to claim refugee status elsewhere. Many of them may eventually take up permanent residency in the countries of destination, leaving little hope for a return to the countries of origin. Another important factor generating an increased migration of highly skilled labour is represented by the individual drive of the entrepreneurially-minded, who are attracted by the climate of innovation and better conditions of work and remuneration existing in developed countries. The economically poor state of the transition economies and their lack of public investments in the development of the education and research sectors, are contributing factors to sustaining such a trend. Another factor is the new immigration policies promoted by some OECD countries designed to attract highly skilled professionals in order to respond to the demands of their domestic needs and labour market conditions.

The combined effects of these internal and external factors have generated a new institutional background for brain drain from the countries of South East Europe, which need to be considered when evaluating its impact.

#### **4. The Consequences of Brain Drain**

Before evaluating the consequences of brain drain for the countries of South East Europe, two striking features should be highlighted. First of all, as already mentioned, almost all countries of South East Europe lack systematic empirical data with regard to the extent of brain drain phenomena. Too much emphasis is placed on impressionistic and anecdotal information, rather than on a clear methodology for collecting and processing data and information that would allow for an objective analysis and assessment of the extent of brain drain. Secondly, brain drain has been mostly regarded as a zero-sum game in which winners (receiving countries) are not only opposed to the losers (sending countries), but also that the former may be asked to compensate for the losses induced by brain drain to the latter. However, as the recent research in the field has demonstrated, the net separation of sending and receiving countries, respectively losers and winners, is not the only perspective. An alternative view places the emphasis on the positive effects of brain drain in the sending countries. For instance, it has been demonstrated that to some extent migration may foster human capital formation and growth in the sending countries. In

addition, migration may also positively affect the economic growth in the sending countries through such factors as: migrant remittances; knowledge, skills and know-how transfer, acquired by returning migrants and applied after their return to their country of origin; and the domestic use of business and trade networks established by migrants abroad. However, such positive effects of brain drain are not necessarily automatic. The migration of a significant number of highly skilled professionals, for a small country with a scarcity of highly skilled labour, may indeed have negative effects. It is for this reason that countries affected by brain drain, like those from South East Europe, should put forward and implement effectively appropriate policies for reversing such migration.

## **5. Policies for Preventing Negative Consequences of Brain Drain**

Given recent global processes, international migration of highly skilled professionals is expected to continue to grow. The challenge for the countries of South East Europe is that of participating in such a development not only as suppliers of migrants, but also as beneficiaries. In order to address such challenges, there is a need for a clear understanding that the further economic, social and cultural development of each of the countries of the region, depends on those working in science, research and development, knowledge and technology-based industries, and the health care sector, but also in the arts and music, etc. Investments and support for people directly contributing to these activities must be an integral part of a coherent set of policies, including those related to migration which can also be seen as an untapped source for development of human capital. Increased international collaboration in support of such policies is also needed as well as dealing with the implications of international migration.

International organizations, such as UNESCO, are urged to look more closely at the positive as well as negative aspects of migration including highly qualified personnel (especially graduates and young researchers), and to provide opportunities for the wider discussion and co-operation on migration as this is related to the issues of globalization. In this respect, while reviewing the already applied methodology of data collection and analysis for making it more appropriate to the existing contexts, it is proposed that UNESCO-CEPES follow up this project by initiating specific activities dealing with issues of Brain Drain and the conditions of the academic and intellectual labour market.

On the basis of existing information and policy contexts, the countries of South East Europe are urged to promote effective policies for preventing the negative effects of brain drain. Such policies might include:

- Provide, at national and institutional levels, appropriate economic, social, cultural, and mostly professional incentives for potential migrants as well as to those who have already migrated in order to make attractive their remaining in or returning to their home country.
- Long term substantial investment in higher education for facilitating human and intellectual capital development are key prerequisites for preventing the extension of brain drain in South East Europe. Governments are urged to invest in the infrastructure for research and innovation, offer incentives and facilities for intellectual entrepreneurship, as well as provide opportunities for establishing academic and research networks and for temporary mobility of mostly young academics and researchers.

- Universities and research institutes, jointly with other decision making public bodies should review research and academic careers in order to provide those economic and personal development incentives that increase their institutional attractiveness.
- Higher education and research institutions should allow for, encourage and provide means for the development of immigrant and diaspora networks as well as for the strengthening of ties, including joint projects, between peers residing abroad and those residing home. Alumni associations at institutional level should also be developed, both for tracking purposes and consolidating networks.
- Governments should provide substantial facilities and incentives for the development of cognitive and technological transfers that are attractive for entrepreneurial professionals, mainly through those policies aimed at the development of small and medium size enterprises.
- Governments of SEE countries should promote co-operation schemes with those developed countries that have policies in place for attracting foreign highly skilled professionals, thus allowing for the participation in a system of “brain circulation”.
- The developed countries should review their visa regimes for students, academics and researchers from SEE in such a way as to foster and encourage academic mobility, co-operation and network development.

Such policies may prove effective when accompanied by sustained economic growth. Policies for improving conditions of the functioning of higher education and research would be the best measures for preventing brain drain, and would, at the same time, assure a long-term economic, social and cultural development of the countries of South East Europe.