

The Brain Gain (skilled emigrants) and Economic Development in Sub-Saharan African (SSA) Countries

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Abstract

The development impact of international migration continues to attract development policy and scholarly attention. This paper examines the development impact of skilled migration for 38 Sub-Saharan African (SSA) countries between 1980 and 2019. Skilled emigration ratios are measured as the ratio of the total, low-skilled, medium-skilled and high-skilled emigrants from a particular SSA country to a destination OECD country. The Ordinary Least Squares (OLS) method is used as a baseline model supplemented by fixed effects (FE) and Generalized Method of Moments (GMM) as robustness checks. The OLS results indicate statistically significant effect of total and low-skilled emigration on GDP per capita in the SSA countries than medium and highly skilled emigration. At country level, the skilled emigration-growth effect holds and is mediated by the human capital development. Although the FE results show no significant level effects of skilled migration on GDP per capita, the growth effect is positively mediated by the quality of institutions in the countries of origin. The GMM results reveal statistically significant effect of skilled migration on GDP per capita in SSA countries. Additionally, the effect of highly-skilled migration on GDP per capita is statistically significantly conditioned by institutional quality. The findings of this study suggest that policy and institutional frameworks are imperative to attract and condition the growth and development impact skilled emigration in the SSA region.

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