

# The GLOCEPS

## Commentary Today

Development Pillar

### Unintended skilled labor export becomes Kenya's important forex source

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Photo Credit: Stavica

Annually, Kenya experiences two significant occurrences between July to October. However, only one is manifest; the Great Masai Mara migration. The marvel has over 1.5 million wildebeests, 40,000 zebras, 12,000 elands, and 300,000 Grant's and Thomson's gazelles make the treacherous journey from southern Serengeti to the Masai Mara and back. Similar migration, but without much furor, is the emigration of trained Kenyan students and skilled workers to developed economies. The July-October movement mostly coincides with the start of the academic year of universities in the Global North. While the motivation for both migrations appears similar, the search for green nutrient-rich pasture, water, or economic opportunities, similarities end there. The cyclical phenomenon of the passage between Kenya and Tanzania rarely applies to the emigration of Kenyan students. Over 80% are retained and integrated by their host countries after the completion of their educational endeavors.

Anecdotal reports indicate that at least 3000 Kenyan students leave annually to pursue further

studies. On a continental level, the African Union (AU) describes this trend as an African challenge. The AU estimates that about 70,000 skilled African professionals emigrate annually. These happenings have enhanced cries that low-income economies are losing their best human resources to western countries. The developments are deemed detrimental to the social and economic growth of low-income countries, which spend fortunes developing skilled labor forces through investments in education.

The arguments appear well-founded. However, they fail to address why emigration remains a preferred route for Africa's skilled labor force. The market for skilled labor determines that talent mobility will be driven to where is needed and well remunerated. Major complaints highlighted by migrating Kenyans include economic hardships coupled with a prevalence of cronyism in the distribution and acquisition of job opportunities. Compared to developed countries, perceived meritocracy, plentiful employment opportunities and functioning





Photo Credit: Ubuntu times  
Kenyan students leaving for studies abroad

systems makes the allure of learning and settling in the West hard to resist.

Most host countries progressively adopt policy positions to attract and retain the best talents and human resources, inadvertently at the expense of low-income countries. Potential and highly skilled immigrants receive offers of partial or fully funded scholarship opportunities, favorable immigration policies, attractive remuneration, and clear paths to permanent residency. The host countries benefit by filling gaps in their local skill sets. The competition for highly skilled education immigrants among developed countries has intensified. American legislators fear that delays in issuing student visas would see the US economy lose tens of billions of dollars from tuition-paying international students. Equally, it would make the US market uncompetitive in attracting immigrant skills. These international students remain a primary source of technological talents and innovations for Western economies.

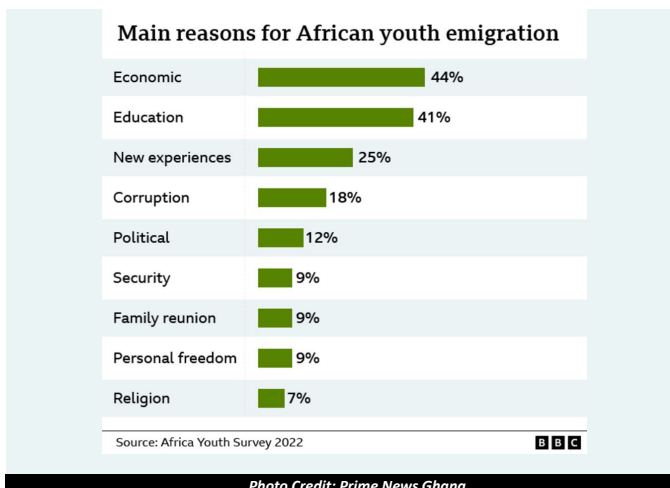


Photo Credit: Prime News Ghana

Projections indicate that migration from Africa will continue to rise significantly due to the prevalence of income inequalities, its rapidly growing working-age population, and the devastating impact of climate change. In a nutshell, Africa's skilled human resource grows faster than local economies' ability to create the needed employment opportunities. Conversely, western economies have a growing need for skilled labor, especially with their aging population. This nexus of factors contributes to the unintended export of trained human resources from Africa, specifically Kenya. An analysis of African countries indicates that Nigeria, Ghana, Egypt, Kenya, and Ethiopia are the top five countries that unconsciously export their human resource as international students. These countries rank lowly on the Gini index which measures income inequalities within nations or social groups. The data, therefore, reinforces why trained youth find emigrating on the back of their talent and skills appealing. Young emigrants prefer countries with limited language and cultural difficulties, and simple integration into the West's education and labor forces. As such, Anglophone western countries of the United States, United Kingdom, Australia, New Zealand, and Canada rank highly as preferred destinations. Similarly, they are the same band of nations known to be aggressive in recruiting international students.

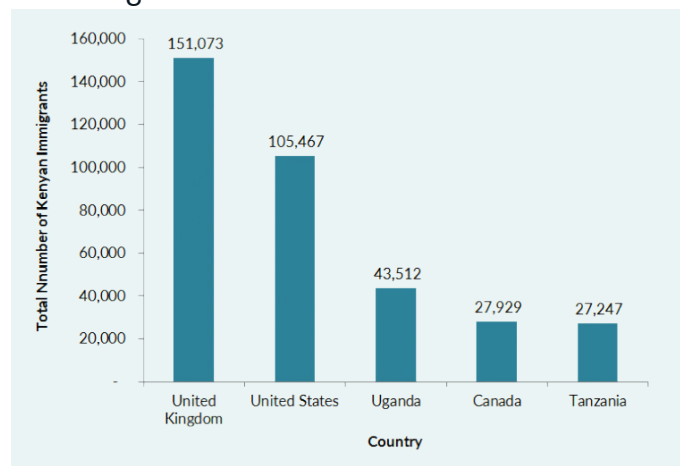
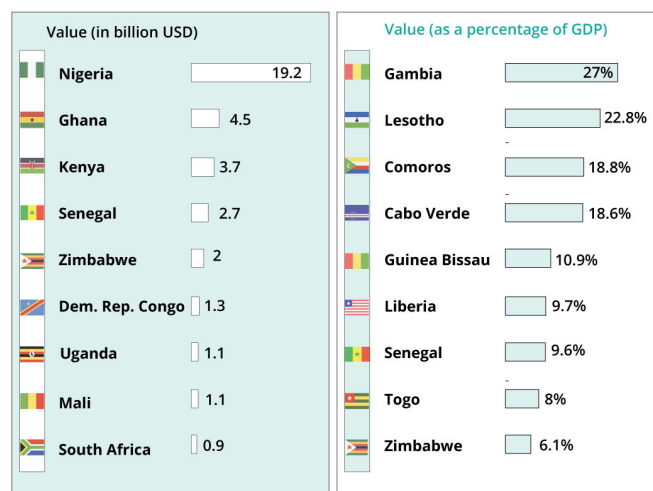


Photo Credit: Migration Policy Institute

Evidence indicates that African countries cannot stem the outflow of their skilled labor force. However, appreciation is rising among citizens and corporate entities that there are silver linings to these realities. For instance, corporate entities are aggressive in encouraging this outflow of talent. Equity Bank's Leadership program has



**TOP 10 COUNTRIES WITH THE HIGHEST REMITTANCES INFLOW IN AFRICA IN 2021**



Source : Knomad

MUSTARD INSIGHTS

Photo Credit: Mustard Insights

invested over KES 10 billion in the last five years to place Kenya's emerging talent in the world's top education institutions. To this end, they have secured admissions and scholarships for young Kenyans to Ivy League colleges and other reputable universities to learn finance, information technology, and health. Inherent benefits to corporates include exposure to opportunities to build global networks and experiences that will aid their own and Kenya's socio-economic development.

Positively, African states benefit by having significant diaspora populations. The growth of diaspora remittances provides much-needed lifelines to the economies of low-income countries. 2021 data by the World Bank indicate that Nigeria received around half of all diaspora remittances to sub-Saharan countries. The rankings of the top five sub-Saharan countries show Nigeria received \$19.2 billion, Ghana received \$4.5 billion, Kenya received \$3.7 billion, Senegal received \$2.7 billion, and Zimbabwe gained \$2.0 billion. There is a connection that countries with significantly sizeable diaspora bases have an equally significant diaspora remittance receipt. African Central Banks and the World Bank highlight the considerable importance of diaspora remittance to international financing of developing countries.

In conclusion, policymakers should reflect on the unintended consequences and benefits of skilled emigration, and their implication on Kenya's economy, foreign relations and public governance. Equally, with the rising importance of diaspora remittance inflows, policy actions should center on lowering the burden of sending remittances. The World Bank notes that the cost of sending remittances to developing countries is prohibitively high. Even more perverse is when remittances are made between countries in the African continent. The prevailing barriers impede efforts toward maximizing the flow of finances for socio-economic development. There is a need to initiate policies that encourage the mobilization of diaspora investment for public and private investment. This can be achieved through investment frameworks like diaspora bonds and financing to provide alternative resources that ensure that Kenya eventually benefits from her investment in skilled human resources.

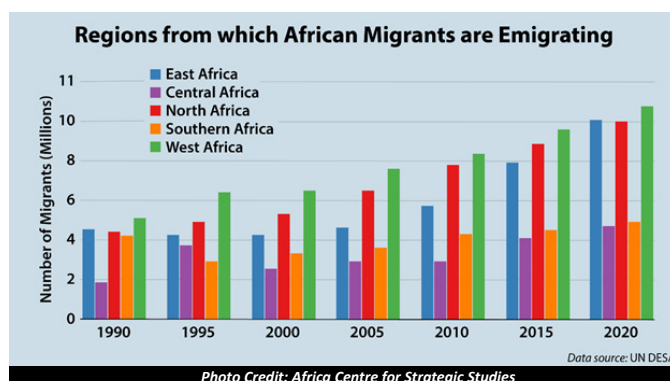
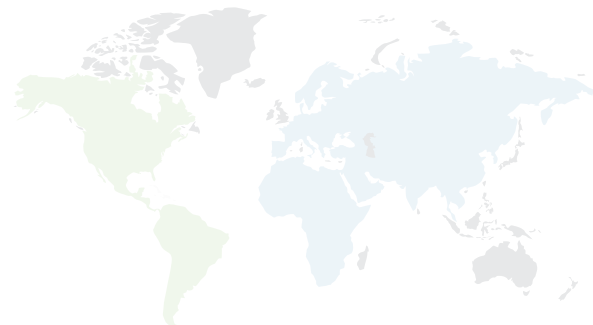


Photo Credit: Africa Centre for Strategic Studies



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