# **Exclusive Interview**

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Mr. Geir Thomas Tonstol **Country Director for Pakistan** International Labour Organization (ILO)

ICMA: International labour migration has emerged as a major global issue that affects most nations in the world. How does the ILO address this challenge posed by brain drain, especially in developing countries?

Geir Tonstol: The International Labour Organization (ILO) is the United Nations agency responsible for matters related to the world of work. It collaborates with governments, employers, and worker representatives worldwide to address various issues, including skills development, migration governance, and employment policy development - all of which are relevant to the concept of 'brain drain.'

According to the Harvard Business Review, the term 'brain drain' was coined by the British Royal Society in response to the emigration of scientists from the United Kingdom to the United States and Canada during the 1950s and 1960s.

Nevertheless, 'brain drain' extends beyond scientists seeking higher-paying jobs overseas. Instead of focusing on 'brain drain,' we should emphasize skilled migration, which encompasses a wide range of professions, including doctors, nurses, engineers, teachers, IT specialists, bank employees, and chartered accountants. If there are not enough replacements to fill the positions left vacant by these skilled professionals, it can create significant labor market gaps in both developed and developing countries.

Throughout history, workers have always migrated in search of better opportunities elsewhere. Major global trends such as climate change, digitalization, and demographic shifts are expected to lead to increased migration as people seek employment opportunities. The ILO works diligently to protect the rights of migrant workers, whether they are low-skilled or highly skilled. Additionally, it strives to promote the development and recognition of skills while strengthening labor market information systems to better assess and predict employment gaps and needs.

#### ICMA: What do you think are the key reasons for skilled labour migration (brain drain) from the developing countries?

Geir Tonstol: Skilled labor migration is influenced by various 'pull' and 'push' factors. Chief among the 'pull' factors are the enticing opportunities available to workers abroad that may not be accessible in their home countries. These opportunities include better job prospects, higher salaries, improved working conditions, and the potential for career advancement, appealing to both high-skilled and lowskilled workers alike. Additionally, connections to a diaspora community can facilitate the decision to migrate, as the presence of fellow compatriots who have successfully established themselves in destination countries can make the transition smoother. Conversely, 'push' factors encompass a lack of job opportunities in the home country that align with job seekers' qualifications, low wages, and unfavorable working conditions. Migration can also be driven by non-work-related issues, such as political, social, and economic instability, or extreme weather events.

ICMA's Chartered Management Accountant, Sep-Oct 2023 🎸 9 🗸



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Those with the most marketable skills, language proficiency, and education are undoubtedly in the best position to evaluate and seize employment opportunities in other countries."

### ICMA: How does brain drain impact the growth and productivity of national economies?

Geir Tonstol: Brain drain has a multifaceted impact on the growth and productivity of national economies. The net reduction in the human capital stock, particularly among those with valuable professional experience, can severely affect countries in both social and economic dimensions. Nations allocate scarce resources to educate doctors, engineers, and scientists, aiming to foster domestic growth, only to witness them migrate in pursuit of better opportunities elsewhere. The departure of doctors and nurses can strain healthcare systems, while scientists and technical experts take their skills, crucial for driving innovation, with them. Additionally, the loss of entrepreneurs hinders the development of start-ups, jobs, services, and overall economic growth. Furthermore, companies may invest significant time and resources in training their staff, only to see them depart for more promising prospects overseas. This results in a depleted talent pool that companies must work to replenish.

## **ICMA:** What are the positive aspects of cross-border migration?

**Geir Tonstol:** When effectively governed to ensure the protection of rights, safety, order, and dignity, cross-border migration can yield numerous benefits, fostering growth, innovation, and entrepreneurship in both the countries of origin and the destinations where migrants settle. It creates opportunities, raises incomes, and enhances living

standards. In Europe, according to OECD data, migrants tend to be net positive contributors to welfare systems, meaning they contribute more to public finances than they receive in public benefits and services. Highly skilled migrants also have a positive impact on work productivity in recipient countries and bolster innovation capacity. They supply the skills and labor that developed countries most urgently require, bridging the talent gap when the local workforce lacks the skills employers seek.

For countries of origin, the remittances sent by migrants back home make a substantial contribution to their economies and families. In Pakistan, for instance, remittances totaled approximately US\$27 billion in 2023. How recipient households utilize these remittances depends on various factors. If they invest in health, education, skills development, or their own businesses, it can lead to positive economic gains for the source country. Furthermore, the emigration of highly skilled professionals can serve as an incentive for others to pursue higher education, which they might not have considered without the prospect of migration. Additionally, upon their return, migrants often bring back valuable skills and experience that benefit their home country.

### ICMA: What role can international labor standards play in addressing brain drain and protecting workers' rights?

Geir Tonstol: International labor standards, endorsed by governments, workers, and employers, establish fundamental social norms to ensure that people can work in conditions of freedom, safety, and dignity. These standards are in place to ensure that economic development is not pursued as an end in itself but as a means to enhance the quality of people's lives.

Both the United Nations and the ILO have adopted several standards specifically designed to protect the rights of international migrant workers. In recent years, the management of globalization and the increase in migration flows have become pressing concerns for policymakers, employers, workers, their respective organizations, and civil society worldwide.

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### EXCLUSIVE INTERVIEW



States possess the sovereign right to develop their own labor and migration policies. This necessitates the formulation of coherent and comprehensive national policies to effectively manage labor migration, including the safeguarding of migrant workers' rights.

While international labor standards are applicable to all workers, they are most crucial for safeguarding the rights of the most vulnerable. Higher-skilled migrants, often better educated and equipped with language skills, tend to face fewer challenges compared to lower-skilled migrants. However, they too require protection.

It's important to note that labor standards do not aim to prevent any worker from migrating to seek employment in another country. Rather, these standards facilitate the creation of decent work. By doing so, they contribute to the generation of more and better job opportunities, which, in turn, can address some of the primary reasons motivating both women and men to migrate and seek employment abroad.

#### ICMA: Can you share insights on how the ILO collaborates with governments and industries to retain skilled workers within their home countries?

Geir Tonstol: In all of the countries that it works, ILO collaborates with the government, employers and workers organizations to address what together have been identified as priority world of work issues. In general, these tend to focus on creating decent work opportunities for large swathes of the population rather than on issues pertaining to highly skilled migrants.

Strengthening Technical Vocational Education and Training (TVET) is one priority area. ILO works with its partners to enhance access to TVET training, especially for women, youth and vulnerable populations. It also works with industry the government to ensure that TVET courses offered meet the needs of industry so that courses lad to jobs and businesses can recruit workers with the skills that they need.

When migrating for work, it is also important that migrants not only possess relevant skills, but can also signal and validate these skills to potential employers in other countries. This means that skills need to be transferrable and recognized. Work is therefore carried out between countries on the mutual recognition of skills as well as in areas such as recognition of prior learning (RPL). RPL is a process by which regulatory bodies and training institutions assess acquired skills, often gained outside of the classroom, against a given set of standards, competencies or learning outcomes.

Another noteworthy area of focus is the support provided to strengthen Labor Market Information Systems (LMIS). LMIS provide governments, employers and workers with information about labour market trends, employment "

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opportunities and skill shortages. Skills identification and anticipation systems embedded in LMIS can inform migration policies about skills demand in countries of destination and of origin so that migration is beneficial for both. LMIS also provide a link between the labour market and education and training institutions, which need to adapt programs to meet the current and future skills needs of employers.

### ICMA: What initiatives has the ILO undertaken to promote "brain gain" by encouraging the return of skilled migrants to their home countries?

Geir Tonstol: ILO does not specifically work to encourage the return of skills migrants to their home countries. Rather it works with governments, employers and workers organizations to support decent work and social justice. By doing so it seeks to create jobs and opportunities so that workers have more and better employment options in their home country and feel less compelled to migrate to find work.

### ICMA: What role does the ILO play in promoting knowledge-sharing and collaboration to address brain drain's challenges?

**Geir Tonstol:** By nature of its tripartite make up – bringing together governments, employers and workers - as well as its place in the UN family, ILO is uniquely placed to promote knowledge sharing and collaboration on word of work issues such as skills and migration.

It also constantly seeks to carry out research and develop guidance or support policies in emerging areas. This includes issues such as the just transition towards environmentally sustainable economies, new forms of work such as the 'platform or 'gig' economy as well as the potential impacts on the world of work of generative Artificial Intelligence (AI).

The Editorial Board thanks Mr. Geir Thomas Tonstol, Country Director for Pakistan, International Labour Organization (ILO) for sparing from his precious time to give exclusive interview for Chartered Management Accountant Journal.

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