

## Brain Drain Phenomenon in Western Balkan Countries with Special Emphasis in Kosovo, Macedonia and Albania

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### Abstract

The main aim of this paper is to investigate the causes and consequences of the brain – drain phenomenon in Western Balkan Countries with special emphasis in Kosovo, Macedonia and Albania. Brain Drain phenomenon has begun to be overwhelming due to the fears of migration of the young and educated workforce as the youth do not see prospects in the countries of origin.

Due to the lack of data we try to represent only the problems that may cause the phenomenon of the “brain – drain”, in the countries that are taking into consideration. We go through analysis of some main indicators such as: (i) high unemployment rate for degree holders (ii) skilled mismatch in labor market, (iv) lack of opportunity for career advancement, (v) salaries.

Regarding the review of related literature and our statistical analysis we came in conclusion that the ambitious expectations of students for the future necessarily require re-thinking of the current choice. This implies at the same time the demand for the development of quality education and professional training geared to the socio-economic needs of the country. Thus, the well educated workforce will contribute in the country of origin.

**Key Words:** brain drain, unemployment, standard of living, labor market

### 1. Introduction

An important and often-debated issue in developing countries is that of "brain drain", understood as the country's loss of human capital migration with university education along with the simultaneous absence of "innovation" in the labor market. In the sociology of knowledge, the concept of "brain drain", i.e. the phenomenon of removal, displacement or even capital fluctuations or human resources from one country to another, is the cause of security and quality of life, career opportunities for students, high salaries etc.

In reality, in many countries and countries of the region may be different reasons and pretexts for making this decision, not so easy for decision-makers. These reasons and pretexts may be of a nature:

- Politics (lack of permanent consolidation of local state institutions and capacities);
- Economics (crisis and inability to survive);
- Social (permanent poverty), etc.

*Why can the manifestation of the "brain-drain" phenomenon occur in developing countries, specifically in the Western Balkan Countries?*

In many studies, it has been shown that in the Western Balkan Countries; with particular emphasis in Kosovo, Macedonia and Albania have an uncontrolled - overproduction of cadres within the framework of the current education system, which is also identified as one of the main generators of the crisis in deepening and strengthening the gap between the employed and the unemployed.

But the dilemma that we take into account through this scientific paper is precisely in the direction of identifying the causes and consequences of the brain drain phenomenon in Kosovo, Albania and Macedonia. Since the power of a country is interpreted through its educated and qualified workforce, a skilled and capable workforce young people should be counted in the countries of origin as an innovation and thus stimulate economic growth.

But where's the problem? The main problem is the lack of a network between academic institutions - universities, the private and public sectors. Educated workforce cannot be seen as negative externalities that many researchers have tried to find through their research papers but the educated workforce should be geared towards a qualified workforce in terms of quality rather than interpreted in terms of quantity. This dimension emphasizes the importance of networking between Academic Institutions and the Private Sector to mitigate the disproportion between supply and demand for real- skills in the private sector.

## 2. Review of related literature

There is also a literature which focuses on the macro effects of migration. Papatisha (2005) argued that studying overseas enhance the social and cultural development of migrants and therefore leads to human capital gains.

Poutvaara (2004) argued that while migration fosters private investment in human capital, it will lead to a reduction of public investment in education, due to free riding. Nobel Prize Laureate Robert Lucas raised a famous query in his paper: "Why doesn't capital flow from rich to poor countries?" Paraphrasing Lucas, we could state that human capital doesn't flow from poor to rich countries, but rather from countries of low-quality education to those of high-quality education.

Mak and Moncur (2001) found that higher wages in the country of origin positively affect the rate of migration. It is so, because agents with higher income can bear the costs of migration more easily and have better possibilities to invest in high quality of education. Young, well-educated, healthy individuals are most likely to migrate, especially in pursuit of higher education and economic improvement (Awases M, Gbary A, Nyoni J, Chatora R, 2003)

Alongside the economic factor, there are also identified factors such as: "low level of public security, lack of citizen confidence in improving the situation in the country where corruption and organized crime paralyze the normal functioning of state institutions". Removing the intellectuals and especially the youth has serious consequences: Our countries flee the best part of human capital, the locomotive of its economic and social development. Youth outbreak is shrinking activity and productivity in the private sector and is slowing down the pace of the Balkan countries' accession process with the EU, a process that has been estimated as a catalyst for social emancipation, law enforcement, and the pursuit of major reforms.

Although there is no accurate statistics on the number, ethnicity, and educational profile of the displaced from Kosovo, Macedonia or Albania in recent years, various World Bank reports indicate that countries are losing the most vital population such as an educated workforce. This trend is present in all the Balkan countries, so the states of the region are alarmed to undertake measures to create jobs, invest in human capital and generate income generating opportunities in order to mitigate the emigration of citizens.

The analysis of this international financial institution shows that low economic growth, high unemployment, income at the level of one-third of the EU impose new generations to emigrate in search of better economic opportunities. Although demographic science estimates that the main causes of external migration are economic ones, professional perfection, political and military crises, in Macedonia and the countries of the region in recent years, primarily as a result of the expulsion of educated young people, is dissatisfaction with the economic situation, the employment problem and the lack of perspective, Time newspaper reports. Demographic experts estimate that the only benefit from youth migration is their financial assistance to their families in the homeland, while the losses are numerous, ranging from birthrate, labor market gaps, and loss of a substantial part of professionals from different fields.

In the meantime, various research has shown that the causes of brain drain outside the countries that are considered the countries where the well-educated migrants leave the Balkan: (i) the largest salaries in the western world; (ii) the most organized environment in the western states; (iii) the possibility of advancing in career as well; (iv) the great society politicization

## 3. Research methodology and data

The research methodology used in this paper starts with bibliographic research explaining the concepts and notions regarding brain drain phenomenon. We use the quantitative method in describing and analyzing statistical data gathered from World Bank Indicators and State Statistical Office in Western Balkans Countries. The data used in this paper are secondary data including data on the rate of unemployment by age, gender and educational level and also the data for immigrated citizens. We also highlight the main limitation of this paper as lack of data we cannot conduct and adopt the regression analysis to measure the impact of brain drain phenomenon in economic growth.

#### 4. Interpretation of Results

Tabela 1. Analyze the unemployment trend by gender, age 15-24 and education level

Source: Data is provided by World Bank indicators and processed by the author, <http://databank.worldbank.org/data/report>

Year	Unemployment with basic education			Unemployment with intermediate education			Unemployment with advanced education		
	Kosovo	Albania	Macedonia	Kosovo	Albania	Macedonia	Kosovo	Albania	Macedonia
2010		13.8	36.6		19.7	33.4		14.4	24.8
2011		10.5	33.2		17.5	31.8		18.7	26.3
2012		8.4	31.3		13.2	31.9		19.2	26
2013		10.3	31.2		17	28.9		16.2	26.7
2014	49	10.8	29.9	45.2	20.7	29.8	27.1	18.2	24.6
2015	39.5	11.5	26.3	41.1	22.9	25.9	28	21.5	22.5
2016	47.6		26.1	36.7		22.7	8.2		21
2017			20.5			22.3			21.7

[//databank.worldbank.org/data/report](http://databank.worldbank.org/data/report)

In this table is represented the unemployment trend by gender, age 15-24 and education level. Regarding the level of unemployment with education attainment as % of total force with basic education in Kosovo for year 2013-16 there was 47.6, in Macedonia was 26.1 and in Albania 11.5. The percentage of unemployment with intermediate education (2013-2016) in Kosovo was 36.7, in Macedonia 22.7 and in Albania 22.9. The unemployment rate by advanced education attainment (2013-16) in Kosovo was 8.2 in Macedonia 21 and in Albania 21.5.

Table 2. Trend of unemployment rate by level of education including: low, middle and higher education

	Unemployment				Youth unemployment				Unemployment by educational attainment		
	Male		female		Male		female		Basic	Intermediat	Advance
	% of male labor force	% of female labor force	% of male labor force	% of female labor force	% of male labor force ages 15-24	% of female labor force ages 15-24	% total force with basic education	% total force with intermediate education	% total force with advanced education		
	2000	2016	2000	2016	2000	2016	2000	2016	2013-16	2013-16	2013-16
Kosovo	..	..	..	..	..	..	..	..	47.6	36.7	8.2
Macedonia	32.2	24.3	32.2	22.7	55.5	47.9	54.7	48.7	26.1	22.7	21
Albania	18.2	15.7	29.3	14.5	42.5	34	27.6	30.4	11.5	22.9	21.5

Source: Data is provided by World Bank indicators and processed by the author, <http://databank.worldbank.org/data/reports>

In second table is shown the trend of unemployment rate by level of education including low, middle and higher education. Unemployment with basic education in Kosovo has decreasing trend in 2014 there rate of unemployment was 49 in 2016 was 47.6. Albania also has decreasing trend of unemployment with basic education in 2010 the rate was 13.8 and in 2015 11.5. The rate of unemployment at basic education in Macedonia in 2010 was 36 and in 2016 was 26.1 (also decreasing trend). Regarding the trends of unemployment with intermediate education Kosovo and Macedonia have decreasing trends on the other hand Albania has increasing trend. Regarding the trend of unemployment with advanced education Kosovo has sharp decrease trend such as in 2014 the rate was 27.1 and in 2016 the rate was 8.2. Albania has increasing trend of unemployment with advanced education in 2010 the rate was 14.4 and in 2015 the rate 21.5. Macedonia has decreasing trend of unemployment with advanced education in 2010 the rate was 24.8 and in 2016 the rate was 21.7.

Tabela 3. Immigration of the population in Macedonia according to the level of education

Immigrated citizens by Educational Attainment											
Year	without school	incomplete education (1-4 grade and 5-7 grade school)	primary grade and primary	Primary school	Secondary school	Higher school	University	Master's degree	Doctorate	unknown	Total
2007	27	10		60	73	5	3			46	224
2008	67	32		235	292	14	28	8	3	61	740
2009	55	48		169	362	43	62	10	7	13	769
2010	43	30		160	349	33	68	8	2	230	923
2011	64	41		274	544	58	93	10	4	55	1143
2012	36	36		376	556	60	108	11	6	141	1330
2013	20	14		163	325	30	90	16	1	286	945
2014	15	16		98	229	38	75	4	3	262	740
2015	17	14		84	245	25	83	11	1	287	767
2016	8	5		27	110	11	30	2	1	246	440
2017	6	3		19	35	1	8		1	68	141

Source: The data were provided by the Macedonian Statistical Office in Macedonia and processed by the author, [www.stat.gov.mk](http://www.stat.gov.mk) / publication

In the above table is shown the level immigration of the population in Macedonia according to the level of education for time period 2007-2017. Regarding the immigrated citizens with university (bachelor degree) the trend is increasing for time period 2007( was 3) - 2012 ( was 108 ), from 2013 till 2017 the trend was decreased.

### 5. Conclusions and recommendations

Generally, the labor market is an open platform that seeks to adapt supply and demand for jobs both in quantity and quality, but in reality this market in Macedonia, Kosovo, Albania and the region does not function in this way first from the employer's own structure categorized here: the public and real sector. When we are more or less aware that offer are "closed in the public sector" to the real one, given that a significant percentage of businesses are 1-4 and are considered family members, a very small part of it is still to be discussed of international companies to broadcast an open job offer. Any country that wants to develop the economy and the well-being of citizens must do much more for the "younger generation" that is considered the comparative advantage and the future of a people and thus gives hope to young people for a bright future.

Regarding the UNESCO (2017) report the ambitious expectations of students for the future necessarily require re-thinking of the current choice. This implies at the same time the demand for the development of quality education and professional training geared to the socio-economic needs of the country. For this reason, it is

necessary for higher education institutions to be guided by the quality principles suggested by the United Nations Educational, Scientific and Cultural Organization, counting some of them as:

- Ensuring quality academic programs and across comparable boundaries
- Recognize that the quality of teaching and research is based on the quality of the faculty and the quality of their working conditions that promote and develop independent and critical research
- To develop and maintain or review existing quality management systems so that they can fully utilize the competences of key actors such as: academic staff, administrators, students
- Continuing the quality of academic programs that need to be oriented towards real-life skills needs in the labor market above all it is necessary to improve and adapt young people (students) and their parents to be informed about the conditions that offers the real market and so better to plan their career.

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