Market-Driven Process of Brain Circulation in Knowledge Services Industry in Sri Lanka

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Abstract : Brain circulation has become a buzzword in the skilled migration literature. However, promoting brain circulation; returning of skilled migrants is challenging. Success stories in Asia, for instances, Taiwan, and China, are results of rigorous policy interventions of the respective governments. Nonetheless, the same policy mix has failed in other countries making it skeptical to attribute the success of brain circulation to the policy interventions per se. The paper seeks to answer whether the success of brain circulation within the Knowledge Services Industry (KSI) in Sri Lanka is a policy driven or a market driven process. Mixed method approach, which is a combination of case study and survey methods, was employed. Qualitative data derived from ten case studies of returned entrepreneurs whereas quantitative data generated from a self-administered survey of 205 returned skilled migrants (returned skilled employees and entrepreneurs) within KSI. The pull factors have driven the current flow of brain circulation within KSI but to a lesser extent, push factors also have influenced. The founding stone of the industry has been laid by a group of returned entrepreneurs, and the subsequent growth of the industry has attracted returning skilled employees. Sri Lankan government has not actively implemented the reverse brain drain model, however, has played a passive role by creating a peaceful and healthy environment for the industry. Therefore, in contrast to the other stories, brain circulation within KSI has emerged as a market driven process with minimal government interventions. Entrepreneurs play the main role in a market-driven process of brain circulation, and it is free from the inherent limitations of the reverse brain drain model such as discriminating non-migrants and generating a sudden flow of low-skilled migrants. Thus, to experience a successful brain circulation, developing countries should promote returned entrepreneurs by creating opportunities in knowledge-based industries.

Keywords : brain circulation, knowledge services industry, return migration, Sri Lanka

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