American University in Cairo

AUC Knowledge Fountain

Theses and Dissertations

Student Research

Spring 6-15-2021

Return Migration and Entrepreneurship in Egypt

Shorouk Fouda sfouda@aucegypt.edu

Follow this and additional works at: https://fount.aucegypt.edu/etds

Part of the Entrepreneurial and Small Business Operations Commons, Public Administration Commons, and the Public Policy Commons

Recommended Citation

APA Citation

Fouda, S. (2021). *Return Migration and Entrepreneurship in Egypt* [Master's Thesis, the American University in Cairo]. AUC Knowledge Fountain.

https://fount.aucegypt.edu/etds/1640

MLA Citation

Fouda, Shorouk. *Return Migration and Entrepreneurship in Egypt.* 2021. American University in Cairo, Master's Thesis. *AUC Knowledge Fountain*.

https://fount.aucegypt.edu/etds/1640

This Master's Thesis is brought to you for free and open access by the Student Research at AUC Knowledge Fountain. It has been accepted for inclusion in Theses and Dissertations by an authorized administrator of AUC Knowledge Fountain. For more information, please contact mark.muehlhaeusler@aucegypt.edu.



The American University in Cairo

School of Global Affairs and Public Policy

RETURN MIGRATON AND ENTREPRENEURSHIP IN EGYPT

A Thesis Submitted to the

Public Policy and Administration Department

in partial fulfillment of the requirements for the degree of Master of Public Administration

By

Shorouk Fouda

Spring 21



Acknowledgments

After spending two years of sleepless nights, I can't help but look back and recognize everyone who has been there for me every step of the way, giving me emotional support evident in the tiniest of gestures.

First and foremost, I would like to thank my Youssef Jameel family, and especially Professor Laila El Baradei for believing in me and giving me this opportunity. I will forever owe her a great depth of gratitude. Amira El Biltagy's support remains comparable, too.

Second, I would like to thank my family and friends for having to tolerate the amount of stress that I exhibited and was never good at hiding. They knew it was for the best of my interest. Thank you my beloved mother and father for instilling the best values in me, and thank you my loved one for pushing me towards my dream every time I felt like quitting.

I must say it sounded nearly impossible to complete a postgraduate degree amid my workload.

"When there is a will, there's a way."

However, I believed in my contribution towards the betterment of the social conditions of my country, and still believe in every single person's role. It all starts with one action point.

Not to forget my grandmother who has always been envisioning this day, even prior to fulfilling my undergraduate degree. Forever in my heart and on my mind, every single day.



The American University in Cairo School of Global Affairs and Public Policy Department of Public Policy and Administration

RETURN MIGRATION AND ENTREPRENEURSHIP IN EGYPT

Shorouk Fouda

Supervised by Professor Laila El Baradei

ABSTRACT

Many Egyptians are currently choosing to emigrate in pursuit of benefits such as; education, professional development, acquisition of new skills and accumulation of savings. Although this was previously viewed as having a damaging effect to a country's economy through the loss of most talented and ambitious nationals, more pertinent economic views suggest possible instances of brain circulation and gain upon the return of a national to their home country. In some cases, gains of return migration are unlocked in the form of entrepreneurial behavior; as a result of accumulation of financial and human capital. In this research, both quantitative and qualitative methods were employed to test the relation between return migration and entrepreneurship. Data from the Egyptian Labor Market Panel Survey 2018 was analyzed to test the relationship between savings and entrepreneurial potential. In addition, in depth interviews were conducted with 31 current and return migrants in order to test the relationship between human capital acquisition and the potential to engage in entrepreneurial activities upon return. The researcher found emigrants to have accumulated human capital abroad that they could have not acquired otherwise. Although most of the interviewees expressed interest towards entrepreneurship, only a minority mentioned entrepreneurial activity as one of their return plans. The research presents a variety of recommendations for utilizing skills acquired abroad in successful ventures; such as: hosting entrepreneurship boot camps, launching hubs for startups, assigning business coaches for return migrants and designing occupational building programs.

Key words: Migration, Return Migration, Human Capital, Savings, Entrepreneurship



Table of Contents

List of Tables	5
List of Figures	5
List of Acronyms	7
Chapter One: Introduction	8
1.1. Background	8
1.2. Research problem	9
1.3. Research Objectives	10
1.4. Research Questions	10
1.4. Policy Relevance:	11
1.5. Research outline	11
Chapter Two: Literature Review	12
2.1 History of International Migration and Human Capital Development:	12
2.2 Opportunities in Migration	18
2.3 Challenges in Migration	20
2.4 Decision to return	21
Chapter Three: Return Migration in Egypt	23
3.1 Migration phases in Egypt	24
3.2 Current initiatives	25
3.3 Doing business in Egypt	28
Chapter Four: Conceptual Framework	30
Chapter Five: Research Design	33
5.1 Methods	33
5.1.1 Secondary data	33
5.1.2 Primary data	34
Chapter Six: Findings and Analysis:	40
6.1. Quantitative Analysis	40
6.1.1. Demographic characteristics of return migrants	41
6.1.2. Specific questions about migration	46
6.2. Qualitative Data	57
6.2.3 Purpose of Migration	57
6.2.4. Choice of migration destination:	59

6.2.5. Work Experience	62
6.2.6.Education	69
6.2.7. Barriers to smooth transition from source to destination country	73
6.2.8. Opportunities	75
6.2.9. Return to Egypt	75
6.2.9. Entrepreneurial intentions	77
6.2.10. Recommended support from the government	79
Chapter Seven: Conclusion and Recommendations	81
7.1. Recommendations	84
7.2. Limitations of the study	86
7.3. Directions for future research	87
References	88
Appendix 1	92
Appendix 2	93
Appendix 3	94

List of Tables:

Table 1:Distribution of Egyptians living abroad	24
Table 2: Interviewees profile	
Table 3:Classification of interviewees age groups	39
Table 4: Classification of interviewees migration destination	39
Table 5: Marital status of returnees	43
Table 6: Migration with family member	43
Table 7: Migration with family member and gender cross tabulation	43
Table 8: Employment status upon return	44
Table 9:Purpose of migration	47
Table 10:Purpose of migration and age cross tabulation	48
Table 11: Purpose of migration and gender cross tabulation	48
Table 12: Purpose of migration and marital status cross tabulation	49
Table 13: Change in income	49
Table 14: Ability to save and region cross tabulation	51
Table 15: Ability to save and marital status cross tabulation	51
Table 16:Primary use of savings and age cross tabulation	53
Table 17:Primary use of savings and marital status cross tabulation	54
Table 18: Binary logistic regression	55
Table 19: Likelihood and R Square	56
Table 20: Cross tabulation of age and entrepreneurial intentions of interviewees	82



Figure 1: Egyptians intentions to migrate	25
Figure 2: Doing Business in Egypt	28
Figure 3: Conceptual Framework.	31
Figure 4: Age groups of returnees	
Figure 5: Gender of returnees	42
Figure 6: Educational attainment of returnees	44
Figure 7: Financial situation prior to migration	45
Figure 8: Frequency of migration	46
Figure 9: Returnees ability to save	50
Figure 10: Primary use of savings	
Figure 11: Returnees sector of employment upon return	
Figure 12:Migration destination of interviewees	

List of Acronyms:

CAPMAS The Central Agency for Public Mobilization and Statistics

SDS Sustainable Development Strategy

SDGs Sustainable Development Goals

MSEEEA The Ministry of State for Emigration and Egyptian Expatriate Affairs

MIIC Ministry of Investment and International Cooperation



Chapter One: Introduction:

1.1. Background:

Migration is a phenomenon that gained recognition from scholars worldwide, most of which viewed it as detrimental to economic growth and development. This was explained by highlighting the consequences of losing the most educated nationals in a country who seek jobs abroad and cause a brain drain phenomenon. This concept was originally proposed by Gruber and Scott in 1966 and Baghwati and Hamada in 1974 (Batista et al., 2017). However, recent literature is focusing on the diaspora policies developed by governments that emphasize migration as a tool for development (Sinatti, 2019) through financial and human capital acquisition in the form of: education, skills and professional experience acquired by the migrant abroad (Coniglio and Brzozowski, 2018). Therefore, governments attempted offering migrants more opportunities for inclusion such as: overseas voting rights, facilitating remittances and investments and hosting cultural initiatives across different countries (Sinatti, 2019).

In an attempt to explore drivers of economic growth, countries have been giving wide attention and consideration to the role of small businesses in stimulating economic growth. Yet, one of the main factors with potential contribution to increased economic growth, such as entrepreneurial potential of return migration have been overlooked (Black & Castaldo, 2009).

According to Migration Policy Institute¹ (2018), Egypt is also the largest regional provider of migrant labor to the Middle East where 6 million Egyptian emigrants are currently residing in the MENA region, whereas 3 million are residing in Europe, North America and Australia. In

¹ **Migration Policy Institute**: Founded in 2001, Migration Policy Institute seeks to improve immigration and integration policies through authoritative research and analysis, opportunities for learning and dialogue, and the development of new ideas to address complex policy questions.



other words, 30% of the Egyptian workforce is currently residing abroad. In addition, the Egyptian Labor Market Survey published in 2018 indicated that 11% of Egyptian Household confirmed having a migrant member either currently or previously (David, El Mallakh and Wahba, 2019). Unfortunately, minimal attention is directed towards the potential of the migrant workforce due to misconceptions about the resulting brain drain phenomenon. However, a recent publication by the International Organization for Migration² (2017) highlights the main challenges in the Egyptian labor market in terms of its structure and the availability of jobs suitable for highly educated and skilled graduates. In addition, the research states that a large percentage of migrants are situated in developed countries which increases the potential of brain gain achieved through utilization of education, qualifications and knowledge of new technologies acquired abroad by a returnee (Pirvu and Axinte, 2012).

1.2. Research problem:

Return migration could be one of the factors with an indirect, yet significant impact on development. Researchers examined the impact of migration on the acquisition of both human and financial capital abroad and its useful contribution to engagement in entrepreneurial activities upon return and the relationship was proven to be significant in the literature (McCormick & Wahba, 2001). Governments are currently experimenting a shift in mindset from feeling sorrowful for the loss of manpower to migration, to benefiting from financial savings accumulated while abroad and remittances (Hamdouch and Wahba, 2015). Yet, there still remains no evident effort towards utilizing the potential gains of emigrants human capital as a result of capacity building, education and professional experience in the migration destination countries. In fact, source countries should exert more effort in attracting high skilled emigrants, and direct more efforts towards returnees exhibiting strong

² **International Organization for Migration**: Established in 1951, IOM is the leading inter-governmental organization in the field of migration and works closely with governmental, intergovernmental and non-governmental partners.



entrepreneurial intentions. Egypt is currently the largest exporter of labor force in MENA region. Those changes were effective since 1970s and the recent economically globalized reforms. At that time, migration was temporary and tied to employer sponsored schemes that had a specific duration. Nowadays, highly educated nationals choose to leave the country in pursuit of better opportunities, and without being tied to a timed scheme (Mahe, 2021).

1.3. Research Objectives:

The main objective of this research is to examine the role of return migration in stimulating entrepreneurial behavior in Egypt. Secondary objectives of the research include:

- Conducting an in-depth analysis of the human capital acquired while abroad.
- Assessing the relationship between return migration and entrepreneurship in Egypt.
- Contributing to the current literature by providing in-depth analysis of the human capital acquired abroad.

1.4. Research Questions:

The main research question posed by the thesis is as follows:

To what extent do return migrants engage in entrepreneurial activities upon return to Egypt?

Sub Questions:

- 1. What are the main skills that a migrant acquires while abroad?
- 2. What is the nature of Egyptian migrant's capacity building activities and educational undertakings abroad?
- 3. What are the factors influencing return migrants' entrepreneurial intentions?
- 4. What kind of support is the government providing to return migrants?



1.4. Policy Relevance:

Egypt's sustainable development strategy (2030) focuses on achieving economic development through the transfer of Knowledge and Innovation, as well as through the promotion of Entrepreneurship, in order to reach a 12% growth in GDP by 2030 (p.16). However, little attention has been given to the potential contribution of Egyptian nationals residing outside Egypt. According to CAPMAS ³(2018), the migrant population reached 10.2 Million in 2017. Yet, no policies were developed to support migrants or facilitate the investment processes for them upon return. In other words, the government overlooked the development potential that could be yielded from supporting return migrants.

1.5. Research outline:

The research begins with a brief review of the literature and the development of the topic overtime, and concludes the literature review section by clearly identifying the contribution of this study to the existing body of literature. In addition, the main concepts used throughout this study are defined. The theoretical framework and the methodology that the researcher adopted in this research are presented. Then the researcher concludes by providing some recommendations based on the research findings. The research findings recommend policies for human capital acquisition, dissemination and equipping returnees with skills necessary for encouraging entrepreneurship.

³ **The Central Agency for Public Mobilization and Statistics (CAPMAS)**: is the official Egyptian statistical agency that collects, processes, analyzes, and disseminates statistical data and conducts the census.



Chapter Two: Literature Review:

This section presents a narrative review of the literature available on return migration and entrepreneurship in books, journal articles, reports and policy documents, in order to construct a background study about the topic and conclude with the researcher's contribution. This section covers early literature on migration studies dating to 1960s, as well as the developments that occurred overtime, purpose of migration, choice of migrant destination, return decision, and entrepreneurship.

2.1 History of International Migration and Human Capital Development:

The general trend evident across the literature is the shift from viewing international migration as detrimental to the source country through loss of most skilled individuals, to viewing it as resulting in potential financial gains through financial savings and remittances. This view resulted in problematic attitudes towards the emigrant's return to their source country. Later on, the literature presented a series of human capital gains that an emigrant acquires abroad.

International migration theories were mostly developed in isolation, resulting in fragmented schools of thought. In the 1960s, discussions concerning the movement of highly skilled workers sparked a debate, and was perceived as a zero-sum game. Especially as countries characterized by ageing population designed policies to attract young and highly skilled workers, to enhance age structure, promote healthy competition and innovation (Kasnauskiene and Palubinskaite, 2020).

The most prominent migration theory to date is the neoclassical theory; split into both: macro and micro sub-theories. Macro neoclassical theories showcase the mobility decision as an evaluation of wage differentials between origin country and possible destination countries



(Fouarge, Ozer & Seegers, 2019). Therefore, resource poor individuals were attracted to will developed countries in pursuit of economic benefits (Wassink, 2020). This suggests that if the wage differentials gap tightens worldwide, it is likely that the rate of mobility diminish. On the contrary, micro neoclassical theories argue that wage differential is not the only factor on which an individual bases his/her decision to migrate and rather suggested that migration is a rational decision that results from one's evaluation of where they can be most productive, given the set of skills that they already possess, especially as research findings proved that migrants earn less than natives (Boeri et al., 2012).

In fact, neoclassical theories were based on the assumption that migration occurs in a perfect market where the only factors taken into consideration are wages, and the remaining factors are eliminated. As a result, new migration theories became more pertinent to the current era and suggested that migration, and return migration in specific have positive impacts on human capital development (Tynaliev and Mclean, 2011; El- Mallakh and Wahba, 2021).

Migration has long been viewed as conducive to economic growth only through migrants' financial remittances (Anwar and Chan, 2016). Since return migration is the last phase of the migration process, which involves the return of a migrant to their home country, it results in a net decrease in migrant financial remittances. Consequently, it was not given any attention as a tool for economic growth, due to its negative impact on financial remittances (Pirvue and Axinte, 2012). Alternatively, recent research on migration and its significant contribution to both: financial capital and social skills needed by an entrepreneur to successfully build a business(Black & Castaldo, 2009).

Most of the early studies on emigration and human capital viewed it as detrimental to the country of origin through the phenomenon of brain drain; which is the loss of a country's high skilled employees through the movement of labor (Batista et al., 2017). The well-



educated nationals of a developing country travel abroad in order to pursue a better career and expand their income (Docquier & Rapoport, 2012; Coniglio & Brzozowski, 2018; Anwar & Chan, 2016). As a result, a wage gap is created due to excess supply of unskilled labor in the source country paralleled by a decreased supply of highly skilled labor. Some employers view this gap as an opportunity to invest in low waged countries by hiring low skilled labor and offering them training opportunities (Uprety, 2020). Conversely, migration of unskilled labor could have a positive impact on developing countries that continue to face labor market pressures due to unemployment and underemployment. Whereas receiving countries might face abundance of unskilled labor known as migration hump (Regmi, Padul, Bhattari, 2020). Given the above, some countries used the brain drain argument to politically manipulate their policies and migration schemes to their own benefit. They tend to encourage temporary migration rather than permanent migration, in order to utilize low waged employees; whether low and high skilled, while eliminating negative impacts that could affect nationals through abundance of labor (Cantore & Cali, 2015).

More pertinent views present migration as beneficial at the last stage, when the migrant decides to return to his/her home country and apply the knowledge and skills acquired abroad. This phenomenon is repeatedly cited in the literature as 'brain gain' (Wahba, 2015). Likewise, Blachford and Zhang (2014) identified this occurrence as 'brain exchange', where the net flow of human capital is biased towards one direction, usually the destination country during the migration period, and the source country upon return. Some countries even developed employer programs that work on sending unskilled workers abroad to acquire human capital, which is an indication of the potential to acquire human capital during migration period (Anwar & Chan, 2016).

Furthermore, Dustmann et al. (2010) proposed that migration is a driver of efficiency in skill acquisition, as migrants choose to acquire skills that are highly rewarded in their home

countries at places where they are cheaply produced, or produced at a high quality, especially in modern day economics which views the migrant's choice of migration destination as a self-selection approach based on the evaluation of multiple benefits (Kamninga et al., 2020). For example, the United Kingdom is considered an efficient migration destination for students seeking degrees in social sciences from renowned educational institutions. This is because the UK is known to be one of the top countries in the field of social sciences education (Dustmann et al., 2020).

Human capital acquisition, alongside financial savings, reasons for return and frequency of home visits while abroad are considered determinants of a return migrant's propensity to engage in entrepreneurial activities (Black and Castaldo, 2009). Financial savings in particular were found in the literature to have a directly proportional relationship with investment decisions in the migrant's home country, where higher financial savings increase the propensity of entrepreneurial activities (Wahba and Zenou, 2012; Mahe, 2021). In addition, financial savings incentivize quick return to home country, given that the purpose of migration was to accumulate savings for entrepreneurial activities or any other purpose. To further illustrate this relationship, statistics from Tunisia indicating that 51.1% of the returnees started their own enterprises within average of 4 years from the date of return and only 1.2% reported relying on government finances or loans (Djajic, 2010). Yu (2017) agreed with Black & Castaldo view, yet focused on the person's ability to balance between the losses incurred by leaving one's home country (knowledge of the Country's business climate, changing consumer needs, social network) and the gains resulting from immigrating to a developed Country. Moreover, measuring the outcome of human capital gains as a result of migration is place-contingent Balaz and Williams (2004). However, Regmi, Padul & Bhattari (2020) suggested that the chosen destination is usually a rational choice based on evaluation



of the potential human capital that the migrant will acquire, while taking into consideration all the incurred costs.

Many authors particularly in more recent publications agreed that migration is proven to be indicative of possible learning and knowledge transfer, especially to Countries with weaker educational systems (Wahba, 2015; Wahba & Zenou, 2012; Black & Castaldo, 2009). However, there is evident lack of research on the impact of these learning outcomes on the intentions to exhibit entrepreneurial behavior (Batista et al., 2017). This may suggest that Blachford and Zhang (2014)'s claim regarding the lengthy duration required in order to measure human capital transfer to source countries is valid. This is a factor of the duration that a migrant chooses to spend abroad and their final decision to return, however it could lead to higher net human capital per worker in the source country, especially if the migrant is a renowned scientist. Nevertheless, considering a migrant's status as temporary is an unwarranted premise and could be misleading, especially if there are no occurrences for sound reinforcements. According to Evans (as cited in Balaz & Williams, 2004), 'methodological' competences such as social networking contributes to the occurrence of entrepreneurial behavior. On the contrary, Lara (2015) suggested that migration could be viewed as negatively impacting human capital if it contributes to family fragmentation and absence of parental supervision.

Batista et al. (2017) focused on eliminating self-selection and evaluating a migrant's decision to initially migrate and return. This distinction draws on differences in characteristics of migrants based on their choices. For example, a migrant who was forced to relocate as a result of war, violence or any other economic downturns in his home country will differ from those voluntarily choosing migration. Similarly, the forced decision to return based on xenophobic riots, illegal migration, illness or death of a family member is an uncontrolled decision that will unlikely be related to entrepreneurial outcomes. This view was proposed by

Naude (2017), who argued that self-selection migrants tend to be less risk averse than forced migrants since they chose to voluntarily leave their home countries. He also highlighted that migrants who face acts of discrimination in the destination Country, opt for entrepreneurial behavior in their origin country as an attempt to go back to their home Country while earning income.

Most of the studies were not able to identify whether the financial savings have the greatest impact on returnees' potential to engage in entrepreneurial activities, or whether human capital has the biggest contribution. However, Wahba & Zenou (2012) proposed a distinction based on the level of education. This distinction states that illiterate returnees rely on financial savings, whereas educated returnees rely on both the financial savings, as well as the human capital acquisition. Wahba (2015) also added that there are evident occurrences of educated migrants having to downgrade their occupancies in order to find a job abroad. This leads to a downgrade in the level of skills acquired which might generally hinder their overall human capital worth. Sinatti (2019) proposes that migration should not be tied to direct economic impacts, rather return migrants could have a strong indirect impact through 'social remittances'; the enactment of people's capabilities and expanding the capabilities of others. Although Nicola (2018) discussed the importance of the financial gains from returnees (both remittances and savings, it is important to discuss the spending pattern adopted by the returnee towards the savings accumulated while abroad.

Sajaastad (1962) and Appleyard (1962) undertook the first studies on return migration in the 1960s, this question has occupied a position of growing importance in research on migrations. Fernandez Guzman (2011) shows how from the 1980s concerns were being raised about the impacts of return on the countries of origin and the contributions of returnees to their development (the key study by Gmelch published in 1980 on return migration), and



how in the 1990s, studies on the return to the South began to emerge, as well as studies carried out by researchers from the South.

2.2 Opportunities in Migration:

Migrants are usually on the lookout for better circumstances, safer and richer countries, as well as higher living standards (Nakagawa, 2020). Accordingly, the migration decision is based on an evaluation of prevalent opportunities, as well as the presence of pull factors. There are various opportunities associated with the decision to migrate, such as: human capital acquisition, learning new skills and earning higher wages. In addition, pull factors that influence the migrant's choice of the migration destination include familiarity, proximity and availability of relevant opportunities.

Balaz and Williams (2004) discussed the distinctive nature of students, academics and scientists as a migrant group. The authors stated that the main motive to migrate is human capital acquisition, even if it's in the form of accepting a research fellowship. Therefore, this phenomenon could be described as 'brain training'; which can either be temporary or result in permanent migration. In other cases, it is hard to draw this distinction since industry professionals may choose to travel in order to gain better income.

Another opportunity associated with human capital acquisition is learning new things and widening one's horizon as a result of interacting with a new culture, and in some instances independence (Tynaliev and Mclean, 2011). In some instances, these new skills are not easily identifiable by the migrant. Although the most common form of knowledge researched in migration studies is the formally exchanged and acquired 'explicit' knowledge, it is less place specific. In other words, an individual could acquire knowledge in their home country while relying on virtual mode or online learning courses. However, embodied and encultured



knowledge resulting from interacting with a new culture, such as: challenges, self-confidence and independence, are location specific (Balaz et al, 2021).

To understand the motives behind choosing a certain migration destination, it is helpful to look at push factors in the source countries, as well as pull factors in destination countries. One of the prominent pull factors, especially for low skilled workers is the wage differentials. According to International Labor Organization, worker earn salaries that are five times higher than their salaries at their home countries after taking into consideration the difference in purchasing power between both the source and the destination (Regmi, Padul, Bhattari, 2020). Notably, another pull factor is cultural fit; measured by both: cultural distance and cultural diversity. Most of the migrants prefer destinations that embrace diversity, and are culturally proximate (Wang, De Graaff & Nijkamp, 2016). One of the elements of cultural proximity is common ground language. Since English is one of the widely spoken languages, Anglophone countries attract the highest number of migrants (Nakagawa, 2020), and most of the students consider UK as their first destination to pursue academic degrees, since the courses are taught in English (Balaz & Williams, 2004). Similarly, Fafchamps & Shilpi (2013) found out in their research that people tend to choose highly populous destinations that share close ethnic background and common language. Some migrants also prefer physically proximate destinations to their origin country, especially those who migrate without their families or have elderly parents (Kamninga et al., 2020).

One of the important factors affecting choice of migrant destination is the availability of employment opportunities, especially for those who migrate for the purpose of work (Kamninga, 2020). Low skilled workers who completed technical or vocational education prefer relocating to countries in which there is demand for workers due to investments in construction projects. Hence, it is highly recommended for developing countries to proceed



with enhancements to the theoretical curriculum of technical schools (Tynaliev and Mclean, 2011).

2.3 Challenges in Migration:

Migration decision may be overwhelming due to social reasons. Thus, migrants seek to reduce or remove any obstacles that prevent smooth transition from life in their origin countries to destination countries (Nakawaga, 2020).

Migrants may be reluctant to choose a certain destination if the language is completely unfamiliar and would take a long duration of practice, as this would severely impact their income through decreased productivity and hindered transferability of knowledge and skills (Nakagawa, 2020). Furthermore, the capacity of destination countries to support migrants who do not speak their home country's language is highly likely to impact a migrant's decision, and act as an obstacle (Regmi, Padul, Bhattari, 2020).

One of the repeatedly mentioned barriers is xenophobia or discrimination and hostility against non-citizens. It is considered a non-encouraging factor as in some extreme cases it could lead to robbery of migrants, violence, and people abusing their positions of power against migrants (Tynaliev and Mclean, 2011). Moreover, religious differences might initiate the same hostile feelings towards migrants (Nakagawa, 2020).

Another cited challenge is the duration required in order to gain occupational license, or learn professional practice rules (Nakagawa, 2020). In some cases, the skills, or knowledge possessed by the individual, are not applicable to the destination country and he/she would find it hard to requalify or relicense his degree and qualifications (Tynaliev and Mclean, 2011). According to Peterson et al. (2014) (as cited in Nakagawa, 2020), occupational licensing was found to be among the top implicit barriers to physician migration.



2.4 Decision to return:

Neoclassical economics tackle the migration decision in the literature as an investment that yields both human capital and income (Fouarge, Ozer & Seegers, 2019). Accordingly, the decision to return is viewed by these theories as an error in a migrant's calculation between benefits and costs of migration, which eventually leads them to their home country upon realization of the incurred costs. Both source and destination countries set up policies to support the successful return of migrants. Source Countries currently view return decision as a way to reverse development towards their Countries. Accordingly, some programs were designed; some of which were encouraging such as the Bolivian 'Volver a Casa' which promised returnees access to venture capital. Whereas, the Spanish program tied the returnees to a 2-year commitment which was deemed unattractive. In addition, the government of Ecuador launched the 'Welcome Home Plan' to support returnees who would like to engage in business ventures, however it was not effective due to limited accessibility, lack of incentives to link return and the program, as well as the limited number of selected projects (Lacomba and Coquell, 2017).

In 1998, John Regets as cited in (Blachford and Zhang, 2014) proposed 'brain circulation' as a possible reason for return. In this case, the migrant chooses to migrate in order to complete an educational degree and gain work experience, later on they choose to return as attractive opportunities arise in their home countries. Yet, physical presence is no longer considered essential to human capital transfer to source country. El-Mallakh and Wahba (2021) also found evidence that fast track to occupational ladder is a possible reason for return.

In some instances, individuals return to their home country upon accumulation of sufficient savings to cover their initial migration purpose. Others may decide to make use of their knowledge about the market structure abroad or information about specific products and



services being traded in the destination country, and bring it to their home country in the form of investment in their home country (Tynaliev and Mclean, 2011).

Since migrants are known to possess distinctive characteristics; being young and educated and by choosing to migrate, they immediately become aware of better opportunities that are present outside their country of origin, especially if they were able to acquire language, technical and social competences during the migratory experience (Balaz et al, 2021). This awareness results in higher aspirations since their skills and human capital are demanded in other countries and offered higher income. For this reason, migrants are sometimes trapped in a hedonic treadmill where they are continuously expecting higher reward for the human capital acquired abroad (Lim, 2018).

This research will contribute to the current body of literature by employing both quantitative and qualitative methods to study the relationship between return migration and entrepreneurship in Egypt, as well as explore the nature of human capital acquired abroad by conducting interviews. This approach was suggested as an effective direction for future research by McCormick & Wahba (2001) and Black & Castaldo (2008). In addition, a more recent data set will be used to account for any changes in returnees statistics. Finally, the reviewed literature indicated strong focus on reasons for migration and choice of migration destination without in depth exploration of the potential human capital that an individual acquires abroad.

Chapter Three: Return Migration in Egypt

This chapter focuses on Egypt, by presenting how migration and entrepreneurship were dealt with in the literature, the usual migration phases an Egyptian migrant goes through and more importantly, a demonstration of the current initiatives undergone by the government to support current and return migrants.

Research on migration and entrepreneurship in Egypt suggests a strong relationship between the two variables. An analysis of the 2017 labor force survey by CAPMAS added a distinction in entrepreneurial behavior of return migrants in Egypt on the basis of age and gender, where males were found to engage in entrepreneurial activities upon return, more than females(Batista et al., 2017). This could be attributed to the initial purpose of migration for females, which is usually in pursuit of academic qualifications, or as a *tied migrant* who conform to the emigration status of their spouses. However, new international migration theories suggest that emigration could lead to changes in the way women are being viewed by the society, break the gender stereotypes and reconstruct the gender dynamics in Egypt. These theories suggest that women's experience abroad and their interaction with a new culture, results in feeling of independence and willingness to engage in entrepreneurial activities (Samari, 2021).

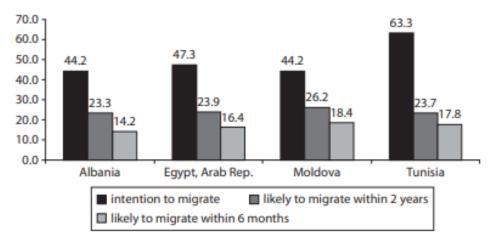


3.1 Migration phases in Egypt:

Distribution of Egyptians living abroad									
	Year								
Place of Residence	End of 2013		End of 2016		End of 2017				
	Number	%	Number	%	Number	%			
Arab Region	4085710	68	6236050	65.8	7007190	68.4			
European Countries	671050	11.2	1249755	13.2	1047842	10.2			
Asian Region and Australia	103373	1.7	354001	3.7	311097	3			
Americas	1115841	18.6	1584601	16.7	1835693	17.9			
African Region	35950	0.6	46267	0.5	45481	0.4			
Total	6011924	100	9470674	100	10247303	100			

Table 1:Distribution of Egyptians living abroad. Source: (CAPMAS, 2018)

Migration history in Egypt dates back to the 1970s (Samari, 2021). The dominant migration destination during this era was the Arab World with 60% of Egyptians who have intentions to migrate (Sabadie, 2010), displaying preference towards the gulf region (See table 1) due to the potential to accumulate financial savings at a rate that is particularly higher than the other regions. However, the source country never perceived migration as a loss of highly educated citizens due to the impossibility of acquiring citizenship in the gulf region (Samari, 2021). A predominant finding is the directly proportional relationship between the level of education and the intention to migrate in Egypt (Sabadie et al., 2010). It seems that the migration pattern has changed and that the most educated are the ones with higher tendency to migrate (Mehrez and Hamdy, 2010; Mahe, 2021). This could be a result of migrant's attempts to acquire skills in another country, given that Egypt's ranking in terms of efficiency in skill acquisition is 99 out of 144 countries in accordance to the Global Competitiveness Report published by the World Economic forum (Schwab, 2019). The promising aspect is that Egypt and received an overall ranking of 61 in the Innovation capability (Ibid,p.201), indicating an improvement in the country's capability to encourage entrepreneurial activities.



Source: ETF survey data.

Note: This figure is based on the answers to three different questions (see annex 3), as percentages of total respondents. N = 1,001 respondents for Albania, 812 for Egypt, 1,010 for Moldova, and 1,015 for Tunisia.

Figure 1: Egyptians intentions to migrate (Sabadie et al., 2010)

3.2 Current initiatives:

There is an increasing rate of Egyptians who exhibit strong intentions to emigrate in the foreseeable future (See Figure 1). When 812 Egyptians were surveyed,47.3% admitted high tendency to migrate, whereas the rest stated that they have future intentions to migrate (whether within 6 months or 2 years) (Sabadie et al., 2020). Therefore, it is essential for the Egyptian government to design policies in order to attract migrants back to their home country.

President Abd El Fattah El Sisi decided to bring back The Ministry of State for Emigration and Egyptian Expatriate Affairs (MSEEEA). In 2016, MSEEEA joined forces with the Ministry of Investment and International Cooperation (MIIC) in order to align the Ministry's goals with the Egypt's Sustainable Development Strategy (SDS) and United Nations Sustainable Development Goals (SDGs). The efforts of the Ministry were not only restricted to rights of voting in the elections, and were rather extended to include encouraging



investments by Egyptians living abroad (MSEEEA, 2021), and there are currently 65 investors located abroad enrolled in 'Masr Tastatee3 bel Estethmar' (Egypt can flourish through investments). MIIC provides support though information sessions and feasibility studies. In this regard, the Minister, Makram (2021) sheds light in one of the latest publications on the role of an Egyptian investor, who is currently residing in Canada, in reviving handmade crafts in Al Gamaleya district.

To have a unified means of communication about current initiatives, The Ministry introduced 'Masr Ma'ak' magazine which tackles all the issues and updates pertaining to Egyptians abroad. According to Makram (2021), Minister of Emigration and Egyptian Expatriate Affairs, emigrants are considered Egypt's soft power. Although there are persistent efforts for inclusion of all emigrants within the Ministry's initiatives, the current focus is on younger generations and students abroad. According to the Minister, these younger generations are active actors against identity obliteration war. Therefore, the Minister designed 'Etkalem Arabi' (Speak Arabic) Initiative in cooperation with Dar Nahdet Misr which resulted in the creation of an application that helps kids learn Arabic through interactive activities. Furthermore, MSEEEA arranged camps for the kids living abroad to ensure that they get to interact with each other and get to know more about the history and culture of Egypt.

In fact, the attention given to youth came to the fore during the COVID-19 pandemic when majority of Egyptian citizens who lived abroad were stuck due to airports closure and being let go by the host countries. Once the Ministry was able to bring them back to their home country, they arranged a tour for 50 students to visit the New Administrative Capital, New Alamein City and El Galala City. The main goal was to inform the students about the current developments and Egypt and create a new generation of Ambassadors abroad. According to the Minister, this initiative resulted in students who were willing to complete internships in Ministries and at the Information and Decision Support Center in Egypt and accept full time

positions. Clearly, some Egyptians are willing to compromise higher salaries in order to return to their home country (Makram 2021).

Furthermore, to capitalize on this initiative, The Ministry officially launched The Ministry of Emigration Dialogue Center for Egyptian youth studying abroad (MEDCE) in January 2021, and a briefing session was held in August 2020. The main scope of the center is to encourage dialogue and communication with Egyptian diaspora, therefore, the center hosts workshops, brainstorming sessions and helps Egyptians abroad connect with each other's and maintain ties to their culture. The center is also concerned with connecting students with similar academic interest or those who live in the same country (Makram, 2021).

In further inclusion attempts, the Minister involved Egyptian emigrants in the 'Decent Life' project by encouraging them to financially support the development of the countryside and villages. However, most of the initiatives were only restricted to philanthropy and minimal attention was directed towards knowledge sharing (MSEEEA, 2021). The initial plans, however, established focus towards knowledge sharing and creating a database of Egyptian scientists and industry leaders abroad, but no progress is evident to date. Finally, the Ministry did not only focus on highly skilled emigrants, and rather supported low skilled emigrants upon their return to find work opportunities in their governorates (Makram, 2021).

It seems that MSEEEA is mostly concerned with preserving national identity or connection to the country, through initiatives that promote dialogue using the Egyptian Language or by encouraging Egyptians Abroad to communicate together in various initiatives. Yet, there are no comprehensive policies or programs targeted at returnees and majority of the initiatives follow the goodwill approach (Mehrez and Hamdy, 2010) by attempting to find work for returnees or encouraging them to invest a portion of their savings to support the Governmental projects.



"We never worked with returnees in specific as a Ministry. Yet, I just thought about an initiative now. We can call it 'Beitak we Matrahak' (Your home)."

(Makram, 2021)

3.3 Doing business in Egypt:

Developing an economic project requires more than financial savings and human capital. According to Lacomba and Cloquell (2017), the government has to provide support in the form of: Proper infrastructure, regulated markets and access to capital.



Figure 2: Doing Business in Egypt (The World Bank, 2020)

According to The World Bank Report (2020) 'Doing Business in Egypt⁴', registering to do business in Egypt is a lengthy process that could take up to a few months to be finalized, even worse if the size of the business is huge or requires many legal approvals. This a result of the bureaucratic procedures, and the absence of a standardized process. In addition, the report shows that extra procedures apply to women entrepreneurs. Although the official cost of

⁴ **Doing Business in Egypt** is a report published by The World Bank detailing the process of starting a business in terms of cost and duration.



Page 28 of 95

starting a business is EGP 200, the report does not take into consideration bribes that the entrepreneur might have to pay in order to easily receive their commercial registry.



Chapter Four: Conceptual Framework:

For the sake of this research, it is important to clarify the definition of the various concepts adopted since there are many definitions in the literature explaining these concepts. The definitions of the main concepts were adopted from previous research on the topic by McCormick & Wahba (2001).

A migrant is someone who spent a minimum of 6 months abroad, specifically for work purposes. Whereas a **return migrant** is someone who returned to their home country and stayed in it at least 6 months from the date of return.

Self-selected migrant is a migrant who had the opportunity to evaluate various migration destinations, as well as occupational choices (Kamninga et al., 2020).

Forced migrant is someone who was forced to leave their country as a result of violence or war. It is likely that a forced migrant does not choose destination country or occupation (Kamninga et al., 2020)..

Human capital: Set of knowledge, competencies and skills acquired during migration (Lacomba and Cloquell, 2017).

Entrepreneurs are those who are either self-employed or employers (Cuadros et al, 2021).

In this study, there is a clear distinction in the qualitative analysis between **old entrepreneurs**; those who were entrepreneurs prior to migration, and those who are **new entrepreneurs**: engaged in entrepreneurial activities upon return to their home country.

Diaspora "Dispersed group of people who settle outside of their homeland, yet continue to have relations with their homeland."



Return Migration: Final phase of migration cycle that involves migrant's conscious decision to return to their home country as a result of 1)finding a secure and well paid job. 2)achieving initial migration objective (such as: financial savings, educational qualification, or end of work assignment). 3)social or family reasons such as homesickness (Pirvue and Axinte, 2012).

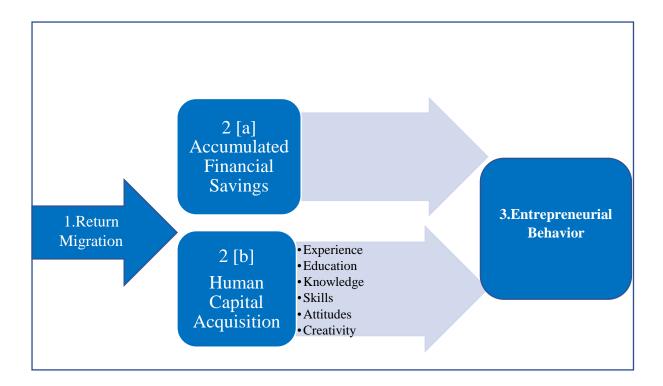


Figure 3: Conceptual Framework. Source: Author

This research is based on the belief that migration contributes to significant increases in both 2 [a]financial savings and 2 [b]human capital, which enhances the entrepreneurial capabilities of migrants.

It is apparent that the entrepreneurial behavior is a product of accumulated financial savings, or human capital acquisition, or both. Human capital acquisition occurs as a result of:

- Professional experience
- Education or qualifications
- Knowledge of an industry or new technologies



- Skills
- Attitudes
- Creativity and Innovation

The researcher tested the proposed hypotheses:

H: There is a positive relationship between return migration and entrepreneurship.

H1: There is a positive relationship between return migrants' accumulation of human capital and becoming entrepreneurs.

H2: There is a positive relationship between return migrants' accumulation of financial capital and becoming entrepreneurs.



Chapter Five: Research Design:

For a better understanding of the migration phenomenon, this exploratory research is designed to examine the human capital acquired during migratory experience and assess the role of return migration in stimulating Entrepreneurial activities.

5.1 Methods:

For the sake of this research, the researcher collected:

5.1.1 Secondary data; which is data that has been collected beforehand by other researchers for various purposes. This data is found in books, case studies, periodicals and government publications. First, the data was used to construct the background and review the current literature available on the topic. Second, the data was used to assess the relationship between the two variables: return migration and entrepreneurship.

In order to validate the relationship between the two variables, data from 2018 version of the Egyptian Labor Market Panel Survey (ELMPS) published by Economic Research Forum (ERF) in cooperation with CAPMAS was used. The researcher received approval to access the dataset on 10th of February, 2021. The survey contains a module that describes the individual and demographical characteristics of each respondent. It indicates the employment history as well as migration history, and income. In addition, it includes a section describing characteristics of return migrants. The return migrants sample identified using cases selection on Statistical Package for Social Sciences (SPSS) totaled 1647 return migrants.

By using the 2018 Egyptian Labor Market Panel Survey, the researcher was able to retrieve information about the number of return migrants who are currently entrepreneurs. First, the



data was tabulated and the demographic characteristics of the return migrants (Age, Gender, Marital Status, Educational Attainment and Marital Status) were analyzed. Second, descriptive statistics and cross tabulation of specific questions about migration such as: frequency of migration, purpose of migration, ability to save, primary use of savings and sector of employment upon return. Finally, a binary logistic regression was conducted in order to measure whether (age, gender and savings) predict the employee's potential to engage in an entrepreneurial activity upon return. The findings were used to test the researcher's hypotheses.

5.1.2 Primary data: It is collected first-hand by the researcher to answer the research question. In this research, qualitative data was collected to explore in depth the human capital acquired abroad.

5.1.2.1 Sample:

According to Bryman (2015), 25-30 participants when conducting in-depth interviews is considered an optimum sample size to reach saturation while eliminating redundancy. In addition, it provides enough information to clarify relationships between the concepts being studied. Accordingly, the researcher targeted a sample of 30 current and return migrants. A purposeful sampling technique was employed to select the target sample using the following identification criteria:

- 1) Individuals who emigrated for the purpose of work or education and have been abroad for more than 6 months.
- 2) Individuals who emigrated for the purpose of work or education and have been abroad for more than 6 months and returned to Egypt, given that 6 months passed since the date of return.



3) Individuals who emigrated for the purpose of work or education and have been abroad for more than 6 months and returned to Egypt, given that 6 months passed since the date of return and engaged in entrepreneurial activities upon return.

Notably, the researcher used to be an emigrant from 1995-2013 and was able to rely on her current network in order to identify potential participants. Later, snowball sampling was used to contact more relevant interviewees.

5.1.2.2 Ethical Considerations:

The interviews were held by the researcher during the period from March 2021 to April 2021 after gaining the IRB approval on 12th of March, 2021. Markedly, the interviewees were held virtually over a video conferencing platform due to the current situation of the COVID-19 pandemic. The interviewees comprised of 15 return migrants, as well as 16 current emigrants (See interviewees profile in table 2), and the duration of the interviews was 30 minutes to one hour. Before holding the interviews, participants were informed about the research through a consent form, which was either signed by the participants prior to the interview or was communicated verbally to the researcher and recorded. Since participating in this research is voluntary, participants were given the freedom to withdraw at any point during the interview. The researcher took the participant's permission to record the interviews, which were saved on the researcher's computer. All the recordings and scripts were solely accessible by the researcher and protected using a password. In order to further guard anonymity and confidentiality of the participants, pseudonyms were used to refer to the participants.

5.1.2.3 Questionnaire:

The questionnaire was constructed based on a paper on measuring human capital components by Vidotto, et al. (2017). This tool consolidates various elements that were mentioned in the literature by various authors as indicators of human capital, which can be summarized as follows:

- Experience
- Education
- Knowledge
- Skills
- Attitudes
- Creativity

The questionnaire is divided into three main sections (See Appendix 3): 1) General questions (Migration destination, duration of migration and purpose of migration). 2) Specific questions about interviewee's migratory experience contingent upon disclosure of the purpose of migration: Work/Education/Personal Reasons (Relocating with family and in this case the interviewee is asked whether they decided to study or work during the migration period). A) Migration for the purpose of work: Interviewees were asked questions about development opportunities (On boarding, training, conferences and professional certifications), work scope, work environment, creativity and leadership skills during their tenure abroad. B) Migration for the purpose of education: Interviewees were asked about the degree they were planning on completing, choice of Country, ease of finding work/study opportunities, skills that they acquired as a result of studying abroad, whether they searched for jobs upon completion of their degree or applied for other degrees. 3)Return to Egypt This section includes questions about whether the interviewee returned to Egypt or plans to

return in the foreseeable future. It includes questions about reason behind their decision to return or not, as well as their plans upon return. In addition, the researcher questioned their Entrepreneurial intentions and inquired about the needed support and resources from their own points of view in order to successfully pursue entrepreneurial activities in their home country.



5.1.2.4 Interviewees Profile:

No	Pseudonym	Age	Emigration Status	Purpose of Migration	Region	Duration spent abroad	Employment Status	Entrepre neurial intention s
1	Mohamed	40-49	Current Emigrant	Work	North America	2 Years	Employed	No
2	Zeyad	30-39	Current Emigrant	Education	North Western Europe	2 Years	Employed	Yes
3	Omar	20-29	Current Emigrant	Work	Central Europe	1 Year	Searching for a job	Yes
4	Heba	20-29	Return Migrant	Personal Reasons/ Family	North America	10 Years	Employed	No
5	Osama	50-59	Return Migrant	Work	GCC	32 Years	Unemployed	No
6	Lara	20-29	Return Migrant	Personal Reasons/ Family	GCC	21 Years	Employed	Yes
7	Mariam	20-29	Return Migrant	Personal Reasons/ Family	North America	10 Years	Searching for a job	Yes
8	Seif	20-29	Current Emigrant	Work	Southeas t Asia	1 Year	Employed	Yes
9	Asmaa	20-29	Current Emigrant	Personal Reasons/ Family	North America	12 Years	Employed	Yes
10	Farid	20-29	Return Migrant	Education	Western Europe	1 Year	Employed	Yes
11	Laila	20-29	Current Emigrant	Education	Australia	7 Years	Employed	No
12	Rokaya	20-29	Return Migrant	Personal Reasons/ Family	GCC	4 Years	Searching for a job	Yes
13	Abdallah	20-29	Current Emigrant	Education	Northern Europe	2 Years	Employed	Yes
14	Fady	20-29	Return Migrant	Education	North America	3 Years	Employed	No
15	Shady	30-39	Current Emigrant	Work	GCC	2 Years	Employed	Yes
16	Adam	20-29	Current Emigrant	Education	Western Europe	7 Years	Employed	Yes
17	Emad	65+	Return Migrant	Work	GCC	20 Years	Employed	Yes
18	Noha	30-39	Current Emigrant	Personal Reasons/ Family	North Western Europe	3 Years	Employed	Yes
19	Mohsen	30-39	Current Emigrant	Education	Western Europe	12 Years	Employed	Yes
20	Alaa	60-64	Return Migrant	Work	Worldwi de	20 Years	Employed	Current Owner
21	Fayed	20-29	Return Migrant	Personal Reasons/ Family	GCC	4 Years	Employed	Yes
22	Nadia	65+	Current Emigrant	Personal Reasons/ Family	North America	18 Years	Retired	No
23	Amr	65+	Return Migrant	Work	GCC	25 Years	Employed	No
24	Yasmin	65+	Return Migrant	Work	GCC	25 Years	Retired	No
25	Amany	30-39	Current Emigrant	Education	North America	9 Years	Student	Current Owner
26	Passant	50-59	Current	Personal	North	24 Years	Employed	No



			Emigrant	Reasons/ Family	America			
27	Nour	65+	Return Migrant	Work	North America	21 Years	Employed	No
28	Sherif	65+	Current Emigrant	Work	North America	50 Years	Retired	Yes
29	Sarah	20-29	Current Emigrant	Personal Reasons/ Family	Central Europe	1 Year and half	Employed	Yes
30	Nadeen	20-29	Return Migrant	Education	North America	1 Year	Employed	Yes
31	Reda	65+	Return Migrant	Work	GCC	8 Years and half	Retired	No

Table 2: Interviewees profile (Source: Author)

Age Groups	Count
20-29	15
30-39	5
40-49	1
50-59	2
60-64	1
65+	7
Total	31

Table 3:Classification of interviewees age groups (Source: Author)

Region	Count
Australia	1
Central Europe	2
GCC	9
North America	11
North Western Europe	2
Northern Europe	1
Southeast Asia	1
Western Europe	3
Multiple locations	1

Table 4: Classification of interviewees migration destination (Source: Author)

Half of the respondents were among the age group 20-29. Majority of the interviewees migrated to North America and the mean duration of stay abroad was approximately 9 years.



Chapter Six: Findings and Analysis:

This chapter presents a discussion of the research findings: both quantitative and qualitative. First, the quantitative analysis includes descriptive statistics of the characteristics of returnees and a binary logistic regression to test the relationship between savings and entrepreneurial intentions. Second, the qualitative analysis presents in depth information about the choices, opportunities and challenges of Egyptian current and return migrants.

6.1. Quantitative Analysis:

Data from ELMPS 2018 was filtered, in order to select returnees and analyze their demographic statistics. The total number of returnees represented by the ELMPS survey in 2018 were 1647. This section presents the demographic characteristics of the return migrants, descriptive statistics and cross tabulation of specific questions about migration and the outcome of a binary logistic regression to predict the employee's potential to engage in an entrepreneurial activity upon return.

6.1.1. Demographic characteristics of return migrants:

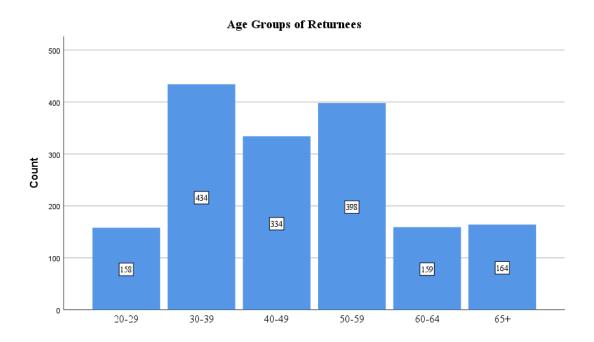


Figure 4:Age groups of returnees (OAMDI, 2019)

The above table indicates that majority of return migrants occupy the age groups (30-59) with highest percentage of returnees at 30-39, (See figure 4) and a mode age of return at 32. The least common age of returnees was 20-29, which could be explained by the time needed by an emigrant to fulfill the initial objectives of emigration; whether work or education, and return to their home country.

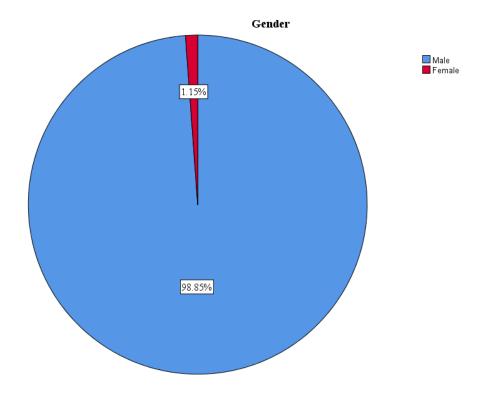


Figure 5: Gender of returnees (OAMDI, 2019)

According to the dataset, 98.8% of the returnees are males, whereas 1.2% are females (See figure 5). This could be attributed to the makeup of migrant workforce, and tied migration. Earlier research findings used to highlight the presence of a very high percentage of males as opposed to females in the makeup of the Egyptian emigrant workforce (Samari, 2021). If all other factors remain constant, then it is likely that this finding indicates the presence of higher intentions to migrate among males. In case any of the returnees migrated with their wives, then this small percentage of female returnees could account for 'tied migrants' (Samari, 2021).



	Marital status of returnees						
		Frequency	Valid Percent				
Valid	Never married	66	4.0				
	Contractually married	3	.2				
	Married	1519	92.5				
	Divorced	18	1.1				
	Widowed	37	2.3				
	Total	1643	100.0				

Table 5: Marital status of returnees (OAMDI, 2019)

Majority of the returnees were married or contractually married (92.7%), followed by those who were never married (See table 5), and the least percentage were divorced.

Migration with family member							
		Frequency	Valid Percent				
Valid	On my own	1582	96.8				
	With someone from my family	52	3.2				
	Total	1634	100.0				

Table 6: Migration with family member (OAMDI, 2019)

Migration with family member and gender cross tabulation							
	Gender						
Migration with family member		Male	Female				
	On my own	1577	5	1582			
·	With someone from my family	38	14	52			
Total		1615	19	1634			

Table 7: Migration with family member and gender cross tabulation (OAMDI, 2019)

In accordance to the dataset, 96.8% of the emigrants traveled on their own (See table 6), with majority of female returnees stating that they migrated with a family member as 'tied migrants', and minority of the females might have emigrated on their own (See table 7).



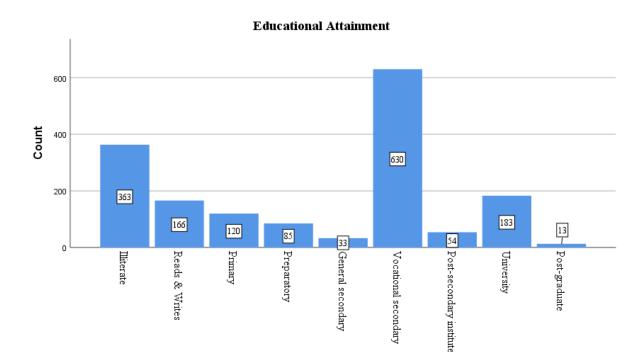


Figure 6: Educational attainment of returnees (OAMDI, 2019)

One of the interesting findings is the percentage of returnees who only completed vocational secondary education (See figure 6). This finding is in line with the proposition that low skilled workers choose to migrate outside Egypt in search for higher wages (Regmi, Padul, Bhattari, 2020). In addition, the dataset suggests that the highly skilled employees were not the only migration candidate.

Employment Status								
Frequency Valid Percent								
Valid	Employed	1343	87.6					
	Unemployed	70	4.6					
	Out of Labor Force	120	7.8					
	Total	1533	100.0					

Table 8: Employment status upon return (OAMDI, 2019)

During the week in which this survey was conducted, 81.5% of the returnees were employed (See table 8), which indicates that upon the migrant's decision to return to their home countries, employment opportunities are prevalent.



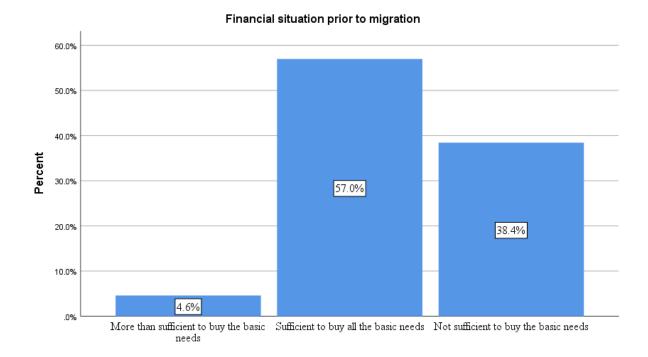


Figure 7: Financial situation prior to migration (OAMDI, 2019)

The dataset indicates that 94.6% of the returnees traveled in the first place because they either had sufficient money to buy their basic needs, or non-sufficient money to satisfy their basic needs. Minority traveled while they had more than sufficient amount of money to cover their basic needs (See figure 7). Those who do not have sufficient amount of money to cover their basic needs probably travel for purposes other than accumulating financial savings. They are either seeking better quality of life, education, or even opportunities to climb the occupational ladder (Nakagawa, 2020).



6.1.2. Specific questions about migration:

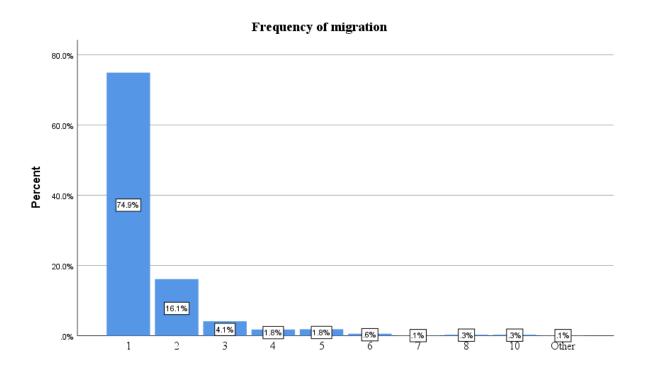


Figure 8: Frequency of migration (OAMDI, 2019)

According to the data set, 74.3% of the returnees traveled abroad only once. However, the next most common number of times a returnee has been abroad is twice (See figure 8). This suggests that some emigrants are not effectively re-socialized or integrated to their communities upon return.

Purpose of migration							
		Frequency	Valid Percent				
Valid	Unemployed and seeking work	394	24.1				
	Found a better job	810	49.6				
	Higher wages	208	12.7				
	To help the family (financially)	102	6.2				
	Transferred by the employer	16	1.0				
	To save money to get married	78	4.8				
	To save money to start up business	4	.2				
	To save money to buy house	4	.2				
	To accompany spouse	9	.6				
	To accompany other family member	8	.5				
	Other reasons	1	.1				
	Total	1634	100.0				

Table 9:Purpose of migration (OAMDI, 2019)

As indicated by respondents, the top reason behind migration is 'finding a better job', which suggests that some people migrate for search of better opportunities and experiences (Kamninga et al., 2020), rather than accumulating financial savings or higher income. Only 0.2% emigrated stated that the main purpose of migration was because they wanted to save up money and start a business (See table 9).

	Purpose of migration and age cross tabulation							
				Age (Te	n groups)			Total
		20-29	30-39	40-49	50-59	60-64	65+	
Purpose of Migration	Unemployed and seeking work	42	109	88	96	36	23	394
	Found a better job	76	219	147	202	81	85	810
	Higher wages	19	44	57	43	21	24	208
	To help the family (financially)	7	26	16	21	13	19	102
	Transferred by the employer	1	3	1	7	1	3	16
	To save money to get married	12	26	19	16	3	2	78
	To save money to start up business	0	0	0	2	0	2	4
	To save money to buy house	0	0	0	2	1	1	4



	To accompany spouse	0	2	1	1	1	4	9
	To accompany other family member	0	2	2	3	1	0	8
	Other reasons	0	0	0	0	0	1	1
Total		157	431	331	393	158	164	1634

Table 10:Purpose of migration and age cross tabulation (OAMDI, 2019)

Majority of those who stated that they wanted to save up money to start up business occupied the age bracket (40-49). The younger age brackets were either searching for a job or found a better job (See table 10).

	Purpose of migration and gender cross tabulation							
		nder	Total					
Purpose of Migration		Male	Female					
	Unemployed and seeking work	394	0	394				
	Found a better job	806	6	812				
	Higher wages	205	3	208				
	To help the family (financially)	102	0	102				
	Transferred by the employer	16	0	16				
	To save money to get married	77	1	78				
	To save money to start up business	4	0	4				
	To save money to buy house	4	0	4				
	To accompany spouse	2	7	9				
	To accompany other family member	6	2	8				
	Other Reasons	1	0	1				
Total		1617	19	1636				

Table 11: Purpose of migration and gender cross tabulation (OAMDI, 2019)

As shown in table 11, no females stated that the purpose of migration was to start a new business. The most common reason for migration among females was accompanying a spouse.

Purpose of migration and marital status cross tabulation								
	Marital status							
		Never married	Contractually married	Married	Divorced	Widowed		
Purpose of Migration	Unemployed and seeking work	18	0	364	3	8	393	
	Found a better job	35	3	750	9	13	810	
	Higher wages	3	0	198	1	5	207	
	To help the family (financially)	4	0	90	3	5	102	



	Transferred by the employer	0	0	15	0	1	16
	To save money to get married	3	0	73	1	1	78
	To save money to start up business	0	0	3	0	1	4
	To save money to buy house	0	0	4	0	0	4
	To accompany spouse	0	0	4	1	3	8
	To accompany other family member	0	0	8	0	0	8
	Other reasons	0	0	1	0	0	1
Total		63	3	1510	18	37	1631

Table 12: Purpose of migration and marital status cross tabulation (OAMDI, 2019)

In accordance to the cross tabulation of the purpose of migration and marital status shown in table 12, married returnees emigrated because they were offered higher salaries.

The average income of returnees on the year prior to return was EGP 6715.49 with a standard deviation of 2754.366 away from the average. The researcher believed that this figure is inaccurate and could be a result of unwillingness to disclose income and viewing it as a sensitive and embarrassing topic.

	Change in income							
		Frequency	Valid Percent					
Valid	Higher	1287	78.8					
	Same	103	6.3					
	Lower	92	5.6					
	Don't Know	76	4.7					
	Not applicable	75	4.6					
	Total	1633	100.0					

Table 13: Change in income (OAMDI, 2019)



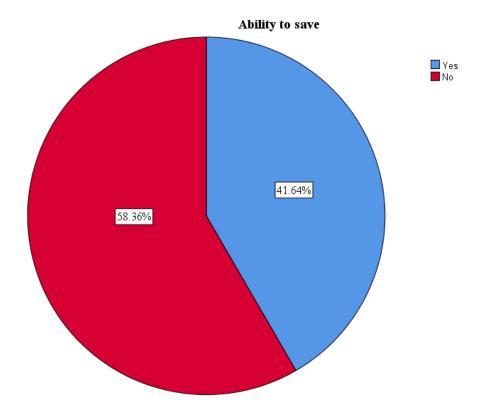


Figure 9: Returnees ability to save (OAMDI, 2019)

Although respondents stated that their income has become higher during their last emigration year (See table 13), as opposed to their income in Egypt, majority stated that they were unable to save (See figure 9). This could be attributed to the purchasing power in the Country in which the respondent is located or unwillingness to admit or disclose savings.



	Ability to save and region cross tabulation							
		Ability	to save	Total				
Region		Yes	No					
	South America	1	0	1				
	Arab Countries	666	943	1609				
	West Africa	1	0	1				
	Central Africa	1	0	1				
	South Africa	0	2	2				
	North America	1	1	2				
	South Europe	7	4	11				
	West Asia	1	1	2				
	Eastern Europe	1	0	1				
	Northern Europe	1	1	2				
	Western Europe	0	1	1				
Total		680	953	1633				

Table 14: Ability to save and region cross tabulation (OAMDI, 2019)

Majority of the respondents were located in the Arab region during the migratory period. This could be a result of the evaluation of wage differentials and the potential to accumulate savings in this region (Samari, 2021), especially that those who admitted to accumulating savings are 680 in total, 666 of which are located in Arab Countries. Another factor is the familiarity with the Arab culture, which is known to ease the process of migration from source to destination country (Nakagawa, 2020).

Ability to save and marital status cross tabulation							
		Ability t	to save	Total			
		Yes	No				
Marital status	Never married	22	41	63			
status	Contractually married	2	1	3			
	Married	632	877	1509			
	Divorced	6	12	18			
	Widowed	16	21	37			
Total		678	952	1630			

Table 15: Ability to save and marital status cross tabulation (OAMDI, 2019)

A cross tabulation of a returnee's ability to save and marital status revealed that married emigrants are highly unlikely to save money (See table 15), as a result of family commitments and extra expenditures.



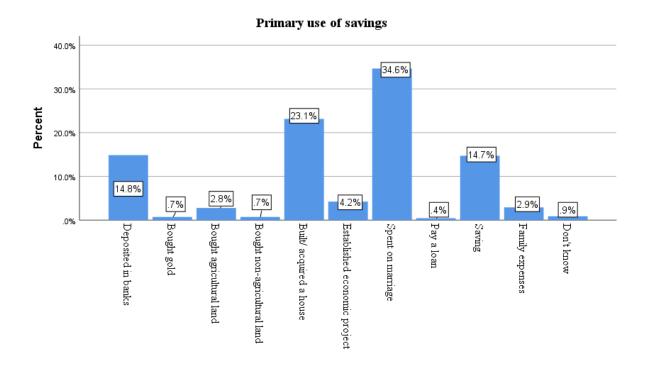


Figure 10: Primary use of savings (OAMDI, 2019)

The respondents suggested that the primary use of savings was 1) **spending on marriage**, 2) **building or acquiring a new house** and 3) **saving** respectively (See figure 10). In fact, only 6.4% of the returnees mentioned establishing an economic project as a secondary use for their savings. This suggests that entrepreneurial activities are not considered a priority for a returnee while deciding on how to use the savings.

Primary use of savings and age cross tabulation								
	Age groups							Total
		20-29	30-39	40-49	50-59	60-64	65+	
Primary use of savings	Deposited in banks	5	28	23	19	8	19	102
	Bought gold	0	1	1	1	1	1	5
	Bought agricultural land	1	3	3	3	4	5	19
	Bought non- agricultural land	0	0	1	1	2	1	5



	Built/ acquired a house	9	35	33	32	20	30	159
	Established economic project	2	6	9	7	2	3	29
	Spent on marriage	46	73	46	56	13	4	238
	Pay a loan	0	1	1	1	0	0	3
	Saving	3	22	20	24	19	13	101
	Family expenses	1	7	5	6	0	1	20
	Don't know	0	1	2	2	0	1	6
Total		67	177	144	152	69	78	687

Table 16:Primary use of savings and age cross tabulation (OAMDI, 2019)

The cross tabulation of the usage of primary savings based on the different age groups indicates that around 6% of returnees within the age group (40-49) used their savings to establish an economic project (See table 16).

	Primary use of savings and marital status cross tabulation								
	Marital status								
		Never married	Contractually married	Married	Divorced	Widowed			
Primary use of	Deposited in banks	2	1	92	2	5	102		
savings	Bought gold	0	0	5	0	0	5		
	Bought agricultural land	0	0	18	0	0	18		
	Bought non- agricultural land	0	0	4	0	1	5		
	Built/ acquired a house	3	0	149	1	5	158		
	Established economic project	4	0	24	0	1	29		
	Spent on marriage	8	1	225	2	2	238		
	Pay a loan	0	0	3	0	0	3		
	Saving	5	0	93	1	2	101		
	Family expenses	0	0	20	0	0	20		
	Don't know	0	0	5	0	1	6		
Total		22	2	638	6	17	685		



Table 17:Primary use of savings and marital status cross tabulation (OAMDI, 2019)

It is also clear that marital status influences the usage of primary savings. According to data presented in table 17, married returnees were inclined towards building or acquiring a new house, saving for marriage or generally accumulating savings. Whereas, returnees who were never married were highly inclined towards investing in an economic project (See table 17).

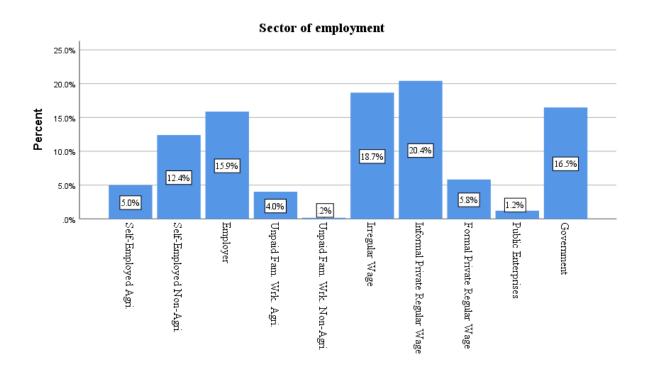


Figure 11: Returnees sector of employment upon return (OAMDI, 2019)

Although returnees stated that the priority was not given to engaging in an economic activity as the primary use of savings, their sector of employment during the week of the survey was self-employment or employers with a total percentage of 33.3%. This suggests that savings are not the only predictor of entrepreneurial intentions upon emigrants return to their home countries and that other factors affect this decision.

Since returnees were reluctant to disclose the amount of savings, the researcher was not able to conduct correlation test to confirm the relationship between the amount of savings and the decision to establish an economic project. Therefore, the researcher created dummy variables



for age, gender, marital status, ability to save, as well as primary use of savings. The dummy variables were used as predictors in conducting a binary logistic regression, where the dummy variable 'Entrepreneurial activity' was selected from the primary use of savings as the dependent variable.

Variables in the Equation								
		В	S.E.	Wald	df	Sig.	Exp(B)	
	Age Group							
Step 1 ^a	30-39	-0.488	0.977	0.249	1	0.618	0.614	
	40-49	-0.584	0.805	0.525	1	0.469	0.558	
	50-59	0.508	0.719	0.498	1	0.480	1.662	
	60-64	0.162	0.733	0.049	1	0.825	1.176	
	65+	-0.329	0.942	0.122	1	0.727	0.720	
	Marital Status							
	Contractually Married	1.455	1.299	1.254	1	0.263	4.285	
	Married	-18.113	28420.722	0.000	1	0.999	0.000	
	Divorced	-0.724	1.124	0.414	1	0.520	0.485	
	Widowed	-18.212	15852.345	0.000	1	0.999	0.000	
	Male	17.993	12981.476	0.000	1	0.999	65200153.952	
	Ability to save							
	Savings	18.093	15038.456	0.000	1	0.999	72077748.283	
	Constant	-38.593	19866.401	0.000	1	0.998	0.000	

Table 18: Binary logistic regression (OAMDI, 2019)

The binary regression model indicates that for each returnee occupying the age bracket 50-59, it is 0.508 probable that he would choose to pursue entrepreneurial activities upon return with a significance level of 1.662. On the contrary, age groups of 30-49 and 65+ are negative indicators of entrepreneurial activities in comparison to age group 20-29, which means that it is likely that these age groups do not engage in entrepreneurial activities.

The model also shows that for each male, it is 17.993 probable to engage in entrepreneurial activities with a significance level of 0.999 as opposed to females. Another strong predictor of entrepreneurial activities is savings which has a probability of 18.093 at 0.999 significance level.



Model Summary							
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square				
1	227.431 ^a	0.018	0.062				

Table 19: Likelihood and R Square (OAMDI, 2019)

The results indicated that, together, the predictors accounted for a significant amount of variance in success, likelihood ratio= 227.431. The Nagelkerke R Square indicated approximately 6.2% of the variance in decision to engage in entrepreneurial activities was accounted for by the predictors overall.

The quantitative analysis concludes that majority of returnees were males whose age is between 30-59. The returnees had sufficient amount of money to buy their basic needs prior to migration and admitted that the purpose of migration was finding a better job abroad. The respondents were located in Arab region, especially those who were able to save. Engaging in entrepreneurial activities was not listed as a top primary use of savings, and the cross tabulation of primary use of savings with other demographic characteristics shows that those aged 40-49, and those who were never married have the highest potential to use their savings in entrepreneurial activities. Respondents refrained from answering questions related to income or savings, resulting in missing values and hindering the ability of the researcher to generalize the findings to the whole population of returnees. The researcher relied on binary logistic regression to test the relationship between savings and entrepreneurial activities and found savings to be a strong predictor, alongside other predictors such as: being a male, aged 50-59 and never married.

The data set also shows that 33.3% of the survey respondents were engaged in entrepreneurial activities as their primary occupational sector during the week of the survey. This suggests that savings are not the only predictor of entrepreneurial activities, and



the other factors were investigated by the researcher and presented in the qualitative analysis section.

6.2. Qualitative Data:

In this section, the researcher explored some factors that are not part of ELMPS and cannot be validated using quantitative analysis.

6.2.3 Purpose of Migration:

Thirty percent of the interviewees emigrated for the purpose of work. Three of which stated that they were looking for a better quality of life. Interestingly, those who were seeking better quality of life emigrated to North America and are currently still located there. This could be attributed to the higher potential to receive Residential Permit or Passport in this region.

"My family was first located in the UAE. My father was not fond of staying there because he thought it is not stable and we will not be able to settle on the long run."

(Asmaa, Current Migrant, 2021)

The rest of the interviewees initially emigrated for the purpose of education, and then stayed afterwards to complete other degrees or search for job opportunities. Three of which stated that they received scholarships from highly ranked and distinguished Universities.

As mentioned in chapter 3, Balaz and Williams (2004) stated that some citizens choose to emigrate to pursue what is known as 'brain training'. Although the intention to migrate at first seems temporary, it could turn out to a permanent migration or extended duration of stay beyond the initial plans. According to Amr, traveling to United States was initially to pursue Master's degree. Later on, the decision to return became harder.

"It's a trap. After living in US, I realized that it will be very hard to me to go back to Egypt. When I was in the US, the culture was diverse and power distance was not present. We never used titles while communicating with each other's. Once I was back in



Egypt, I was perceived as a threat and was treated unfairly and not given an office, desk or chair. Later on, I learned from my colleague that it was a planned conspiracy because they wanted to suppress my thoughts and were intimidated by my knowledge. I was very sad because when I first traveled I wanted to bring the best knowledge present abroad to my country and never considered title or ranking. Sadly, I had to leave shortly afterwards because I was not able to blend with the culture."

(Amr, Return Migrant, 2021)

It is clear from Amr's response that his initial intent was 'brain training' within a short duration, which later on turned into 25 years spent abroad due to cultural misfit and failure to re-socialize the person to the institution upon return. As a result, there were various push factors exercised on the return migrant, pushing him to migrate again.

The interviews revealed various push factors evident in the market structure, particularly for those in the medicine field as highlighted by Laila who works as a surgeon in Australia:

"Knowing how medical degree is in Egypt, it was shutting me off in a way from pursuing medicine, and I was passionate about it. Cohorts in Egypt comprise 2,000-3,000 students with Professors who have been teaching the same outdated curriculum for over 30 years. Working in this field in Egypt is all about politics and bureaucracy. I even spoke to people who hated it mid-way, although everywhere around the world doctors are the best paid occupation. Here in Egypt, they don't think highly of them."

(Laila, Current Migrant, 2021)

Omar also highlighted some of the struggles that he faced in Egypt as an Engineer, and one of the main reasons he decided to emigrate.

"Civil Engineering career in Egypt entails 5 years of commitment to Education, where you end up supervising low skilled workers who are not well trained, and making sure that they are not stealing or just getting work done with low quality."

"I never felt that I have proper working hours. Always worked endlessly."

(Omar, Current Migrant, 2021)



"I can be called at 2 AM to take care of transporting concrete to a construction site, which was unplanned in the first place. We also work in isolation from other entities. We don't have a specific map detailing the places where telecommunications or utilities infrastructure is placed. As a result, you could re-do the same task various times."

(Omar, Current Migrant, 2021)

Interviewee proceeded by highlighting the example of concrete, which is the core of buildings and requires specific care. However, it was dealt with in an unstructured manner and without a standardized process.

6.2.4. Choice of migration destination:

Choice of the migration destination is no longer based on the availability of opportunities (Lacomba and Coquell, 2017), it is rather a product of a rational decision making process and an evaluation of a number of factors, including but not limited to: physical and cultural proximity, availability of opportunities.

Zeyad suggested that being familiar with France was a product or regular business visits with his previous employer. In some instances, these visits lasted for longer than 3 months for an accomplishment of a project, which allowed him a longer duration to familiarize himself with the country.

"I chose to migrate to France because I was familiar with the Country due to regular visits with my previous employer. I was also a French speaker, which helped me gain access to a lot of opportunities."

(Zeyad, Current Migrant, 2021)

Familiarity is not only limited to spoken language or regular visits, it could also include familiarity about the country's history, culture or even educational system.



"I was previously exposed to the British Education System, as I completed my Bachelor's degree in the British University in Egypt. I studied Politics and I believe it is always influenced by western scholars and I wanted to study their perspective."

(Farid, Return Migrant, 2021)

Farid who had already returned to Egypt chose UK in particular to pursue his master's degree because of his familiarity with the education system, as well as his curiosity to study politics from the perspective of the renowned political scientists located in UK. Amany was seeking familiarity in terms of emotional support and finding a community that she could easily integrate with.

"Although London was my first choice, some of my family members were in the US so it was more familiar and comfortable. I also worked as an English teacher prior to migration and studied the American Culture."

(Amany, Current Migrant, 2021)

Sarah, who primarily traveled to pursue her masters in the UK, stated that the main motive was 'convenience'. According to Sarah, Master's in UK was one year long and she didn't have plans to stay abroad for a longer duration. In addition, it was more familiar given that some of her extended family members were residing in UK when she started applying.

Sherif also chose the migration destination based on convenience and comparison between different countries, and he perceived convenience as:

"I visited and lived in many Countries around the World. I ended up liking Canada for the openness of the society and welcoming attitude. You immediately feel integrated and sense no discrimination. There is also a wide array of opportunities."

(Sherif, Current Migrant, 2021)



Some of the respondents also stated that they did not choose the destination, and decided to seize the available opportunities. Later on, they did not change their migrant destination as it was calm, peaceful and they did not face any problems.

"I did not choose Sultanate of Oman. Honestly, there were no benefits or aspects that made it an attractive option. I applied in many Countries, and the first offer I received was from Sultanate of Oman. Later on, I enjoyed staying there and found it comfortable."

(Reda, Return Migrant, 2021)

Being unfamiliar with the language could act as a barrier, especially if it's a requirement due to the nature of one's job, which was the case with Omar who works as a Civil Engineer. The nature of Omar's job requires daily interaction with low skilled workers who do not happen to speak except their home country's language.

"The nature of my job as a civil engineer requires dealing with low skilled workers directly. Low skilled workers in Germany are not English speakers. Accordingly, I have to learn German. In fact, I need 2 years to become a fluent German speaker since German language is complicated to learn. Majority of Egyptian emigrants even choose to pursue their master's degree first in order to be able to master the language prior to completing their degree."

(Omar, Current Migrant, 2021)

"Street German language or slang terms is the common language used by low skilled workers in Germany, which requires even a longer duration of practice upon learning the language to learn their terminologies in order to make sure that you are able to communicate effectively in the workplace and lead the workers."

(Omar, Current Migrant, 2021)

Since Omar has been searching for a job for over a year, it is clear that language acted as a primary impediment, and he even considered a career shift. Omar is currently studying data science in attempt to find a career that does not require fluent comprehension of German language.



"Searched for a job for 6 months. It was very hard to find an opportunity and I had to be a fluent German speaker. Competition is very high and I took German courses to get better chances."

(Sarah, Current Migrant, 2021)

According to Nadia, who is currently a retiree, Canada takes into consideration the negative impact that not being able to speak the Country's language could have on a resident's ability to adjust to his new life in Canada. She stated that the government started offering comprehensive English as a second language (ESL) program to emigrants with weak command of English.

As a general observation, all the interviewees were located in metropolitan cities, which Fady stated clearly as a preference while searching for cities to complete his Bachelor.

6.2.5. Work Experience:

This section explores the work experience of both: migrants and returnees in terms of onboarding, development opportunities, work environment, freedom of expression and innovation. These factors are known to have an impact of the acquisition of human capital.

6.2.5.1. Onboarding:

Surprisingly, few attendees stated that they received effective onboarding training. The rest were left to explore the work place and policies on their own. Seif, who is located in Asia, stated that his approach was mainly observation, as well as trial and error.

"I attended two classes to shadow, and observe. This was my first encounter with teaching and then I started receiving constructive developmental comments from my boss from time to time."

(Seif, Current Migrant, 2021)



Rokaya suggested the lack of onboarding training is specific to the size of the organization. In startups, new hires tend to figure out the needed information on their own. Likewise, Sarah who currently works in a startup in the field of Artificial Intelligence in Germany stated that she was the first employee to join the startup. The founder used to deliver 2-3 hours structured and standardized sessions over a video conferencing tool for a week. Sarah believed that this was sufficient due to the nature of the organization and its stage of maturity.

Noha was able to distinguish between the onboarding program in Egypt as opposed to Netherlands, she distinction was in favor of Netherlands, where she added:

"Onboarding was very comprehensive. I worked in various multinationals in Egypt, but never received the same amount and depth of training. In Egypt, it was shadowing not training and you had to improvise."

(Noha, Current Migrant, 2021)

Finally, Shady who is currently located in Abdu Dhabi believed that the lack of onboarding was an intended approach to challenge him and his capabilities.

"They intended to hide information from me and prove that I am a bad caliber."

(Shady, Current Migrant, 2021)

It is clear from the discussions undertaken with the interviewees that there is a stronger tendency to have more comprehensive onboarding programs in Europe. In GCC region, onboarding programs are not encouraged and are even suppressed by nationals.

6.2.5.2. Development opportunities:

Unlike the evident lack of attention towards onboarding, significant thoughtfulness was given towards the development employees, with differences in every region.



Particularly, Mohamed differentiated between the importance of learning in Egypt and in Canada on the scale of his own organization. In Egypt, most of the attention was directed towards soft skills that were in his own point of view irrelevant to the job scope. The focus in Canada is on technical trainings and on providing individualized development plans that serve individual and organizational needs.

Sherif, who also happens to live in Canada, sheds light on the importance of professional training in Canada. He received managerial trainings in Harvard University for Executive Management, as well as Massachusetts Institute of Technology. Sherif also got acquainted with the needed skills to smoothly transit from his career in Engineering which is task oriented, to a career that requires more people management skills.

Three respondents stated that the focus is usually on certificates that are received from accreditation bodies. This creates a standardized and unified way to acquire knowledge pertaining to a subject matter. For instance, Emad who works as a lab director received the Central Board for Accreditation of Health Care Institutions specialized in quality during his tenure in Saudi Arabia. He also became a certified lab director from the Canadian Association for Pathologists. Similarly, Alaa who works in a different field received the Health, Safety and Environment certificate from an accreditation body and was always encouraged to renew his certification based on current findings and trends. Both Noha and Passant were encouraged to complete a number of courses of credits within a specified time limit.

"I am required to complete 90 credit points every three years. They arrange a yearly convention in cooperation with the National Association of dentists to encourage us. It is usually an enjoyable convention, especially as you get to network with colleagues."

In GCC, there was a preference to organize networking and learning events via the government. Rokaya also added:



"There was hub run by the government in Dubai to support learning and sharing of knowledge between startups. I wish if we could have a similar hub in Egypt"

(Rokaya, Current Migrant, 2021)

Osama also had a similar experience in Sultanate of Oman. He used to attend conferences organized by Ministry of Tourism and Commerce in Sultanate of Oman, such as: Future of Tourism in Oman. According to Osama, this conference was useful for those working in the industry as it helped in understanding the government's vision and current market trends.

However, Nour and Yasmin did not receive support for development opportunities in GCC and Yasmin expressed her discontent.

"You have to work towards your own development. I realized that there is a decreased number of breastfed children in Saudi Arabia, and decided to complete the Natural Breastfeeding Program in conjunction with the World Health Organization in Vienna. The outcome was significantly positive and the number of breastfed children increased by 50%. Yet, if I didn't own my development, they would have never encouraged me or financed my development."

(Yasmin, Return Migrant, 2021)

6.2.5.3. Work environment:

Work environment does not only have a positive impact on a migrant's ability to acquire human capital, rather affects their wellbeing and their decision to stay in a country. It is also one of the factors that have a direct impact on one's propensity to innovate and experiment with new ideas. Although people emigrate for better living conditions, work conditions in some countries are aggressive. Therefore, the ability to work efficiently depends on whether there are strict rules governing code of conduct. This was discussed by Reda:

"My team was very cooperative and supportive. However, I have seen team members that are aggressive and promoting unhealthy competition. There was always an



opportunity to submit a complaint in that regard, since everyone was equally treated and rules strictly apply to everyone. The only downside I could recall is the inequality in remuneration package. To be honest, they took it into consideration and did salary adjustments."

(Reda, Return Migrant, 2021)

Reda who was located in Sultanate of Oman experienced equality in the work place due to the presence of a governing code of conduct. However, Amr had a different experience.

"I was always part of a team, but it was a horrible experience. Team members had minimal technical knowledge and were always jealous. In addition, nationals were incompetent but you have to anticipate their mistakes and cover up for them, rather than guide and discipline them. Also, Egyptian expats used to step over each other's to please their boss and advance up their career ladder. This environment leads to monotony."

(Amr, Return Migrant, 2021)

Yasmin who lived in Saudi Arabia for nearly the same duration suggested that the work environment was psychologically challenging since she had to deal with unethical behavior, especially in private institutions. She also gave an example of unethical behavior according to her perception:

"I was asked to prescribe antibiotics to children although it is not healthy."

(Yasmin, Return Migrant, 2021)

"When you become a people manager, you don't have any authority over the employees. They force you to become a micromanager, even when we were handling a very tough case of a child suffering from pancreatic cancer, they lacked ownership and responsibility."

(Yasmin, Return Migrant, 2021)



It seems that Nationalization plans 'Sa'awada' being implemented in Saudi Arabia are affecting subordinates perceptions of their foreign managers. As a result, Yasmin was not able to exercise power over her subordinates. Instead, she had to take responsibility of all the tasks, and referred to it as a physician's ethical code of conduct.

Nour also had a contrasting experience to that of the US when he lived in GCC. He stated:

"As Arabs, we don't know how to work together. We even prefer unethical competition and collaborate to bring others down."

(Nour, Return Migrant, 2021)

Nour elaborated about his experience further by providing an example about meetings:

"Meeting dynamics are always very funny. I recall attendees are divided into three main categories: 1) Those who want to cheer for the boss and be on his good side. 2) Those who are planning how to step over their boss. 3) Those who are here to earn their salaries. The outcome is usually what the boss envisioned prior to the meeting and what he believed in."

(Nour, Return Migrant, 2021)

According to Alaa, the work environment varied from one region to another. He believed that some regions where characterized by lack of discipline, such as Africa. In fact, Alaa believed that Egyptians were talented and their only downside was showing 50-60% discipline at work.

It seems that Asia has a challenging work environment, too as conveyed by Seif:

"Vietnam is a communist society where higher income means higher status."

(Seif, Current Migrant, 2021)

In other regions, the experience was distinctive. Especially with Nour who experienced living in two different regions and specified that the environment in US was centered around the



achievement of objectives and KPIs. These objectives were usually set using a group approach to promote healthy collaboration.

Sarah also indicated that her team is very supportive, even during the pandemic. They rely on Slack which is a collaboration application (chat, questions). Her team, which is very diverse in terms of background, is always active and responsive to questions.

"Diversity made me understand that you always need to consider how the other person would perceive and feel towards your words. It helps you become more selective with your words and develops your social intelligence."

(Sarah, Current Migrant, 2021)

Mohsen, who lives in the UK, also suggested that diversity in the workplace brings the best out of everyone and increase your tolerance and patience:

"You cannot bring your emotional culture to the business table. It also takes you time to learn more about the culture, their inside jokes and how they prefer to do business."

(Mohsen, Current Migrant, 2021)

"When I worked for Bell Labs in Canada, it was like the United Nations, with 50,000 researchers from all over the World. We were always encouraged to work and be productive. I can safely say that Canada does a great job at integrating communities."

(Sherif, Current Migrant, 2021)

6.2.5.4. Freedom of expression and Innovation:

Freedom of expression depends not only on the company culture, but also the Country's culture. Sherif also added that freedom of expression is a function of the individual's willingness to never hide his background or feel intimidated, alongside the external context. As a result, Sherif held patents for various products. Sarah and Noha also felt encouraged to



express their opinion and suggest changes that were taken into consideration if proven to be feasible.

Omar had a different proposition, he suggested that the existence of many regulations and standard procedures makes people less innovative.

"In Egypt, we are allowed to be more creative since there are no standardized ways of doing things. We are not used to looking at a manual when we are setting up a new item. If any step is missing in the manual, it is highly likely that Egyptians would rely on their creativity to fill in this gap."

(Omar, Current Migrant, 2021)

Whereas, Shady, who works as a Lecturer in Abu Dhabi believes that he could only propose new ideas within his locus of control; which is inside the classroom. Amr also has a negative experience as he was once told that an educated person is similar to an uneducated person in Saudi Arabia, as long as he is an expatriate. Therefore, he should only work towards earning his salary without attempting to propose any changes to the current situation.

6.2.6.Education:

This section evaluates the educational experience of those who traveled in pursuit of educational degrees and qualifications. It presents an analysis of the potential skills that a migrant acquires abroad, quality of education and availability of work opportunities.

6.2.6.1. Skills:

As suggested by Tynaliev and Mclean (2011), there is evidence of encultured knowledge as a result of the migratory experience. According to Fady, he traveled to challenge his brain and stimulate critical thinking.

"Although I was studying in the American University in Cairo where the makeup of courses and assignments allowed us to a huge extent to be critical, I believed that we are



creatures of habit and living in my comfort zone limited my potential. Traveling widened my horizon and increased my chances to become independent."

(Fady, Return Migrant, 2021)

Similarly, Nadeen's experience abroad encompassed acquisition of comparable skills to those mentioned by Fady, and she stated:

"I can say I became independent. I was a very spoiled girl. I used to live with my family, be taken care of, and have food prepared for me. I asked my roommates for help once to use the washing machine and they responded: 'Are you rich? Are you spoiled?' It was a shocking, yet eye opening response. Here in Egypt, we are all being used to some luxuries that you cannot afford abroad. While living abroad, you learn to be independent and you are forced to cook, clean, do your laundry. What I realized is that in Egypt, we are never asked to work at a young age or be financially independent, therefore our spending patterns tend to be affected by peer pressure and materialism."

(Nadeen, Return Migrant, 2021).

It is apparent that Nadeen acquired new skills as a result of interacting with the norms of the American culture. Mariam also became more independent as she started accepting job opportunities that she would have not accepted if she stayed in Egypt.

"Residents or Permanent Residence holders in Canada can work full time or part time while studying. I was a PR holder so I worked as part time during summer in day care to afford my summer courses. It gave me a good experience on how to set up activities for kids. I even did the cleaning because there were no helpers. I don't think people here in Egypt from my social level are used to doing jobs that involve cleaning."

(Mariam, Return Migrant, 2021)

It is clear from Nadeen and Mariam's statement that living in North America encourages emigrants to stretch out of their comfort zones and start accepting jobs that are demeaned or looked down at in Egypt. Therefore, it teaches them independence and makes them adaptable to all circumstances. It also increases their ability to take wise financial decisions.



"Social aspect is different in Canada. In UAE, I was in a girls only school. Although, there was diversity but not enough exposure."

(Asmaa, Current Migrant, 2021)

4.2.6.2. Quality of Education:

The main factor affecting the choice of migrant's destination for those who travel for education, is the quality of an educational degree in the destination country. In this section, interviewees discussed their perception of the education quality in destination countries and contrasted it with their experience in the source country, if applicable.

"In Canada, I was always encouraged to rely on readings to develop deep and thorough understanding of subject matter. Discussions were always the primary method to stimulating a new way of thinking."

(Fady, Return Migrant, 2021)

Amany found education is US distinctive in terms of accessibility, ease of applying and variety of programs (most Specialized and most generalized). Mariam also acquired writing skills and research skills as a result of the Canadian education system. In Canada, it is mostly about reading, writing and handing in research papers. The teachers are also more concerned about students' interpretation and perception of the text. Accordingly, they request reflection papers and movie reviews and you will never be judged for your opinion. Abdallah also stated:

"One year of education is Norway equipped me with more information and skills than 5 years education in Egypt."

(Abdallah, Current Migrant, 2021)



He also suggested that the main distinction was the approach to education followed by the Norwegian system which never introduces you to facts and leaves you to explore on your own and build your own beliefs.

Sarah was able to compare and contrast the pros and cons of doing her master's in the UK. She stated that some of the Universities in UK were commercial and the course content was not up to standards. At a point, she believed that the University was after profit and wanted to make things easier and help everyone pass in order not to damage the University's reputation. The aspect that Sarah particularly enjoyed was ease of communication with professors and expressing opinion freely.

Lara, who studied in GCC, also learned to become independent and find out information on her own. However, the motive was distinctive than students who resided in other regions. Lara suggested that it could be attributed to the laziness and lack of commitment of students, which pushed her to acquire strong leadership skills especially when working in a team.

6.2.6.3. Working while studying:

According to Lara, she had the opportunity to work part time jobs while studying. But these were considered illegal according to Labour Bureau. Fayed, who studied in Bahrain, experimented trading in the stock market through a competition that lasted for 7 months/year. Fayed also completed an internship in a Bank, which he found to be interesting and taken seriously from the employer's side, unlike his experience in Egypt. He elaborated by providing an experience of an internship that he had completed in Egypt upon return.

"I was shocked to find out that an intern in Egypt is someone who will do filing, scan or print documents. They can even ask you to clean their drawers and throw away old papers. This is very demeaning to the real value of internships."

(Fayed, Return Migrant, 2021)



6.2.7. Barriers to smooth transition from source to destination country:

One of the main barriers tackled by various authors in the literature is the occupational licensing and training differences between the source country and the destination country. In extreme cases, occupational licensing requirements impede the migrant's access to job opportunities and ability to practice skills possessed by the candidate.

"Honestly, it would be very hard for anyone to start working in Germany immediately after leaving Egypt, and sometimes you would prefer to explore the market first in Germany instead of completing a postgraduate degree. In Germany, they strongly believe in the importance of practical experience and are never against career shifts. They even created a program known as 'Ausbildung', which is an occupational training program that prepares candidates for the job market and is specific to each occupation."

(Omar, Current Migrant, 2021)

Although occupational licensing is perceived by migrants as a challenge, Omar showcased the Ausbildung program as an opportunity to prepare for the job market in Germany and easily secure more opportunities.

"Since secondary school graduates could enter the job market without completing an undergraduate degree, Ausbildung could extend up to 3 years."

(Omar, Current Migrant, 2021)

This suggests that it is not crucial to obtain an undergraduate degree in Germany in order to find opportunities in the job market. Also, candidates could complete other degrees at any age or could opt for career shift and receive sufficient training to be ready for their new roles.

"I have been in General Electric for a year, and we are still preparing for a very huge project in a nuclear power plant. I am still in the preparation phase and will launch in July. However, the company is achieving its goals and doing well financially. What I received here are technical trainings and since I am working in the nuclear industry.



First, I get the security clearance from the Canadian Nuclear State Authority. I had to receive 50-60 trainings in order to be certified to work in this industry."

(Mohamed, Current Migrant, 2021)

Mohamed also added that this is not only specific to his company and is rather specific to the Canadian policies and procedures:

"In terms of project management in Canada as opposed to Egypt. The regulations in the Canadian market are higher and much more complex. Which means that you need to have ongoing preparation. I have been personally preparing for one year for the launching phase, which was carried on from a team who worked on the preparation for 2 years prior to handing it over to me.

Ministry of Labour in Canada is strong and organized, division of work is a very complex process.

For example: If you want to maintain your car in Egypt, you will have a mechanic or an electric to handle your request. But here in Canada, one person received a car, another person transports the car, one detaches the wheels..etc. It is more elaborate than the market in Egypt."

(Mohamed, Current Migrant, 2021)

Although Omar and Mohamed stated that occupational licensing creates a standardized approach to acquiring knowledge about a specific occupation, in some instances occupational licensing acts as a barrier to the availability of job opportunities and could be a lengthy process.

"This specific division of work for projects preparation can be very time consuming."

(Mohamed, Current Migrant, 2021)

"I finished my master's degree in Egypt. I wasn't planning on completing any other degrees when I came to Canada. I only needed to have an equivalence and license to



practice in Canada. Unfortunately, I didn't receive my equivalence certificate for the master's degree as in Egypt we follow a British System whereas in Canada they follow the North American system. In fact, my master's was in restorative dentistry; which is a field that does not really exist in Canada. I decided to settle for being a general practitioner. As for the licensing, it took me one year and 5 months to complete 5-6 interdependent exams (you cannot apply to an exam without completing the prerequisite exam and getting the passing grade)."

(Passant, Current Migrant, 2021)

On the contrary, Passant clearly stated that equivalence was a lengthy and ineffective road for her. She eventually gave up, and decided to prepare for her license as a general practitioner in order to be able to find a job. However, it still took her a long time to receive the license. This statement is in line with Nakagawa (2020)'s proposition that licensing and equivalence requirements act as an implicitly exhausting barriers in the choice of migrant destination.

Most of the migrants prefer culturally proximate destinations (Nakagawa, 2020; Regmi, Padul, Bhattari, 2020), and the spoken language is one of the main factors affecting a migrant's decision, as it would influence productivity.

6.2.8. Opportunities:

According to Nadeen, migration decision helped her study a field that she would have not been able to explore otherwise, since the architecture industry in Egypt follows a standardized approach.

"Daylight in buildings? What is daylight? And what are you doing here in Egypt? This is people's response whenever I talk to them about my research field. At this point, I realized that here in Egypt we will keep on redoing the same concepts and we will never explore new technologies or concepts pertaining to buildings."

(Nadeen, Return Migrant, 2021)

6.2.9. Return to Egypt:



When the interviewees were asked about their motive to return to Egypt, the most commonly stated reason was to be around family and friends in Egypt.

However, some people face discrimination that threatens both their work and personal lives that demotivate them and pushes them to return.

"Although there is great quality of life in Netherlands, but there is racism. This means you will never fit as long as you are an expatriate. I am worried about my kid when she goes to school and I don't want her to be bullied. If I ever sense any threat on her wellbeing, I will return back to Egypt without hesitating for a second."

(Noha, Current Migrant, 2021)

Discrimination does not only affect the personal lives of migrants, rather could negatively impact their career as highlighted by Alaa who works as a supply chain expert in the field of Petroleum and has completed various assignments worldwide.

"I never chose to return, until I felt that I was being stepped over and treated unfairly. It all happened because I was an expatriate, they chose the country nationals over me although I was more experienced."

(Alaa, Return Migrant, 2021)

Although most of the interviewees stated that diversity helped them learn new skills, discrimination is some countries such as Asia as mentioned by Alaa or Netherlands as stated by Noha act as an impediment to their development.

"I have been backpack traveling for a while and when I visited Vietnam in 2017, I heard that teaching English has a huge market here and that you get paid well for it.

It is easy and doesn't require certifications. But they are racist, so you can get paid less and do donkey work for being a foreigner."

(Seif, Current Migrant, 2021)



Seif capitalized on Alaa's argument regarding the level of racism experienced in Asia. He also stated that it affects the pay rate and was extremely disappointed to be paid less for doing more.

Finally, Laila suggested that she does not have plans to return because at first she thought that she will travel for 2-3 years. Later on, she realized that she is highly rewarded abroad, and decided not to return.

6.2.9. Entrepreneurial intentions:

Those who had no entrepreneurial intentions were in the age bracket 50 and above. The only younger interviewees with no entrepreneurial intentions have no plans to return to Egypt for reasons discussed in the above section.

Some of the interviewees were current business owners, such as Alaa who started his consultancy firm in supply chain, HSE and financial control bringing his knowledge abroad to this field. However, he found out that his business is mainly serving clients abroad. He attributed this to people's unwillingness to admit to their mistakes and flaws in Egypt.

"I believe that even though people requested my services, yet they did not apply my recommendations."

(Alaa, Return Migrant, 2021)

Sherif is also a previous business owner who started a consultancy office in the field of telecommunications, where he wanted to bring his knowledge and western practices to Egypt. Unfortunately, the market was not ready in Egypt and he closed his office. But he showed optimism towards the current economic outlook in Egypt.

In the same way, Shady who started his marketing agency in Egypt prior to migration didn't do well compared to the effort put forth. He dealt with rude clients who stole his ideas.



Likewise, Amany who is a current entrepreneur runs her business here in Egypt specialized in Teaching English as a second language using new methodologies and techniques that she learned abroad.

"My online tutoring academy for children across the globe relies on collaboration with children from all over the world to exchange knowledge and skills."

(Amany, Current Migrant, 2021)

Alaa, Sherif and Amany brought their technical knowledge and expertise to their business ideas. Similarly, Zeyad has future intentions to apply his knowledge about solar energy in the construction industry to Egypt.

There are other interviewees who stated that they already have business ideas due to market knowledge of the destination country, such as Seif who studied the market in Vietnam properly that he could currently prepare Asian food with the cheapest and top-quality ingredients in Vietnam.

In fact, another evident approach is initiating entrepreneurial enterprise abroad then opting for internationalization. One of the interviewees, Abdallah, expressed his interest in this approach. He stated that he would like to begin in Norway first in order to acquire the needed technical knowledge about the fitness industry, then move to Egypt.

Farid also suggested that financial stability is impeding his decision, and that entrepreneurial decisions require more time to settle on a winning idea.

Some of the interviewees were reluctant to engage in entrepreneurial activities for various reasons.

"I thought about it many times. But maybe I am not courageous enough to take this decision. Actually, I believe this is all a result of my upbringing. I grew up to a family of full-time employees and we never considered taking any risks."



According to Noha, family history affects one's willingness to engage in entrepreneurial activities, and decreases risk appetite. Also, Amr and Yasmine stated that their families were full time employees who never took risks, which generally decreased their willingness to take risky decisions. They also stated that when they both started their own business in Egypt, they failed due to unethical business environment and competition in Egypt.

Heba, Osama, Sarah and Fayed suggested that the market dynamics in Egypt are contradictory and that the environment is unstable which discourages them from pursuing entrepreneurial activities. In addition, Nadeen believed that the market limits their freedom to innovate, especially for architectural engineers who want to bring new concepts such as sustainability of buildings against climate change.

Finally, Reda's view of entrepreneurship is exploitation of humans and unethical practices.

Therefore, he never considered pursuing any entrepreneurial activities.

6.2.10. Recommended support from the government:

Interviewees expressed general interest in this section of the interview, and were eager to discuss some of the requirements that they believe would ease their presence in the Egyptian market.

Both Sherif and Amr called for a free market with decreased number of regulations. They both suggested that the involvement of the government should only be in the case of governing healthy competition and creating a good environment for startups to compete.

Some of the promotional tools that could be used by the government as suggested by Shady is licensed office spaces for rent that are affordable for startups and are located in places with proper infrastructure. Furthermore, Farid, Sarah and Lara need information sessions and step



by step sessions on how to run a business in Egypt, as well as the current economic outlook. Seif added that some people may have the market knowledge without access to market intelligence and market research data. Additionally, Zeyad suggested that the government could help create a network of those who would like to run their business and looking for a partner located in Egypt to help with their market knowledge.

Rokaya also added that Egypt has a variety of schools for fashion design that could have been more effective if jointly established in a fashion hub to create networking opportunities.

Noha added:

"Here, you pay 50 Euros, receive you commercial ID and start your business immediately. There are not too many regulations. I need business coaching, someone who can literally walk me through the process."

(Noha, Current Migrant, 2021)

The process of applying for commercial registry in Egypt could take up to 30 days, excluding the rest of the legalities. Although the officially communicated amount needed to apply for the registry is EGP 200, it will surely require bribes to ease the process and remove any obstacles.

Omar also stated that the steps of the process are accessible to everyone in Germany:

"I need the same facilitations I found in Germany. If I want to start my own Business here, I will google 'starting a new business in Germany' and all the required information, steps and contact information will come up. They even send you follow up emails, messages and respond within specified business days. In Egypt, we don't have a unified source of information and even if I found contact information it seems impossible to get in touch."

(Omar, Current Migrant, 2021)



"Paperwork is everywhere, even here in Germany. Yet, the post office in Germany is being used efficiently and it helps in obtaining the needed governmental documents easily. I hope we can do the same in Egypt."

(Omar, Current Migrant, 2021)

Finally, Adam suggested that the best kind of support that the government could offer is freedom of expression and belief in the potential of youth.

"I need support, and by support I mean freedom of exploration and coming up with ideas more than financial support. There are constraints on the way of thinking in Egypt. You are required to think in a standardized way of. I have even seen it on a smaller scale when I was studying in the GUC and was never allowed to debate with an older professor, the response is always: 'He is older than you, therefore he is definitely better'."

(Adam, Current Migrant, 2021)

"The infrastructure for building a robotics model requires millions of dollars. The infrastructure for building a robotics model requires millions of dollars."

(Adam, Current Migrant, 2021)

Chapter Seven: Conclusion and Recommendations:

The current migration scene indicates a positive outlook of future perceptions of the potential gains of emigration. It seems that the brain drain is no longer being discussed in the literature, and more open policies are being designed and implemented by governments.



Quantitative analysis indicates preference towards Arab countries as a migration destination. Whereas qualitative analysis confirms that older generations chose Arab countries since they were the only available options at that time.

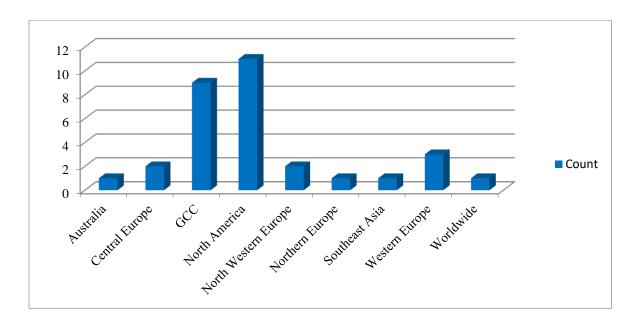


Figure 12:Migration destination of interviewees

However, younger generations choose their migration destination in a more rational approach. Many of the cited factors affecting the migrant's choice, such as: familiarity, convenience, availability of opportunities and educational quality were mentioned. The choice of migration destination whether for work or education, was mainly based on familiarity with the culture, language, system or policies (Balaz and Williams, 2004; Wang, De Graaf and Nijkamp, 2016; Nakagawa, 2020). Therefore, there are currently more diverse choices of migration destination, evident in the choices of interviewees in figure 12.

Age Group							
	20-29	30-39	40-49	50-59	60-64	65+	Total
Yes	12	4	0	0	0	2	18
No	3	0	1	2	0	5	11
Current Owner	0	1	0	0	1	0	2
Total	15	5	1	2	1	7	31

Table 20: Cross tabulation of age and entrepreneurial intentions of interviewees. (Source: Author)



Although the quantitative analysis indicates that those aged 40-49 are highly likely to use their savings to invest in an economic project, qualitative research reveals that those aged 20-29 had the strongest entrepreneurial intentions (See table 20). This confirms that financial savings are not the only predictor of entrepreneurial activities among returnees.

Majority of the emigrants thought that their migration was temporary, until they found themselves trapped in what Lim (2018) described as a hedonic treadmill; whether due to financial savings or better quality of life. However, quantitative data suggests that emigrants are likely to return upon achievement of initial migration purpose; which is mostly buying a house or getting married. Similarly, most of the ELMPS respondents stated that their savings were primarily used to finance buying a new house or a marriage, especially those whom are currently married. Since 33.3% of returnees are currently engaged in entrepreneurial activities, it is helpful to look at other factors contributing to increased entrepreneurial potential. Therefore, the researcher analyzed the human capital acquisition during the migratory experience by interviewing both migrants and return migrants to assess its contribution to migrant's entrepreneurial intentions.

Unlike the researcher's expectations, onboarding training was not key, especially for interviewees who worked for startups. They described it as irrelevant and unnecessary, and preferred hands on experience. Those who lived in North America and Europe were prone to acquiring knowledge in a safe environment, away from office politics. In addition, development opportunities are taken very seriously, and are well structured and organized. The focus is mainly on technical trainings and professional certifications from recognized bodies and institutions. In some countries, the government was keen on planning conferences whether for industries or startups. According to those located in North America and Europe, the environment promoted healthy competition and created collaborative mindsets and tendency to innovate.



Those who traveled for education acquired encultured knowledge; as a result of interacting with a different culture and being out of their comfort zone (Balaz et al., 2021). Moreover, the educational system, especially in North America, gave students the opportunity to express themselves and build knowledge through readings and research.

Some of the repeatedly mentioned barriers that impede the migratory process is occupational licensing or equivalence (Nakagawa, 2020), but that does not outset the opportunities, such as: exploring a field that is not available in Egypt. The decision to return was mainly due to experiencing push factors (from the destination country) such as: racism or discrimination. The rest of the interviewees returned as a result of retirement.

Although most of the interviewees expressed interest in engaging in entrepreneurial activities, none of them suggested entrepreneurial activities as the primary reason to return and rather expressed interest upon receiving an explicit question from the researcher.

In conclusion, exposure to a new culture whether for the purpose of work or education equips migrants with skills needed to run a business, such as: confidence and independence. These skills alongside knowledge and professional experience provides a strong roadmap for immersion in entrepreneurial activities. It seems that most of the interviewees are discouraged to invest due to bureaucracy and lack of effective governmental regulations. However, most of the interviewees have entrepreneurial ideas that are specific to their migratory experience.

7.1. Recommendations:

The current generation of emigrants are more selective when it comes to the choice of migration destination. This is a result of realizing the number of opportunities present in different regions. The researcher found the interviewees to have acquired in depth technical knowledge abroad that could be used in knowledge sharing and bringing latest innovations to



their fields in Egypt. However, the government has to shape the environment that would motivate both current migrants and returnees to engage in entrepreneurial activities.

According to the interviewees, they are afraid they would be investing their time with no guarantee of fair competition. Therefore, the government should ensure better enforcement of anti-corruption rules, to ensure that unethical practices will be dealt with according to the policies.

Second, the interviewees shed light on the benefits of standardizing governmental processes and publishing them publicly, by providing examples from Germany. It is recommended that the Ministry of Investment considers publishing the process of starting a new business transparently and making it accessible on an internet platform. The Ministry could integrate and make use of Egypt's post office for the documentation of the paper work required to establish a new business. This model will be in line with the current governmental initiatives towards digital governmental services.

Third, The Ministry of Investment could cooperate with the Ministry of State for Emigration and Egyptian Expatriate Affairs to the digitize the process of tracking returnees through the cards distributed upon arrival to the airport, in order to keep better track of the returnees and contact them for relevant opportunities. In addition, MOI could plan entrepreneurship boot camps, especially for returnees in order to help them network together, learn about the process of starting a new business in Egypt, and find suitable co-founders whom are more aware of the market dynamics and structure in Egypt. This would help returnees, especially as they stated in the interviews that being away for a long period of time might have impeded their familiarity with the market, consumer preferences, trends and technologies.

Fourth, the government could adopt the model implemented by the government of United Arab Emirates and create hubs for startups that are categorized based on the industry as this



would support in the creation of a unified ecosystem for each industry, and easier access to information. In addition, these hubs should plan conferences on monthly basis to provide the recent trends in these industries and an opportunity for key people to connect.

Finally, MSEEA could create an occupational building program in cooperation with returnees and the Ministry of Manpower, in order to bring the best knowledge and safety precautions followed in each profession to Egypt. This could be similar to the Ausbildung program in Germany as discussed by one of the interviewees.

7.2. Limitations of the study:

The main barrier hindering the validity of information provided by a number of participants is their fear that disclosing any negative views about their work or educational experience in Egypt puts them at risk. At a point, some participants questioned the reason behind conducting this research and some refused to participate assuming that the researcher might belong to the Egyptian General Intelligence Directorate.

In addition, the data set used by the researcher to complete the quantitative analysis (ELMPS) lacked information about the respondents' savings with 89.9% missing values which was not enough to conduct a correlation test or make statistical inferences. Respondents are usually reluctant to expose their savings in fear of being subject to taxation by the Egyptian Tax Authority. Moreover, the decision to engage in entrepreneurial activities was part of a categorical variable, rather than a Likert scale determining the extent to which respondents are likely to engage in entrepreneurial activities.

The researcher had already attempted data collection by interviewing public relations representatives from The Ministry of State for Emigration and Egyptian Expatriate Affairs, yet they were not reachable. Therefore, the researcher relied on information retrieved from a webinar.



7.3. Directions for future research:

It is recommended to measure how personality traits have an impact on an individual's choice to migrate, destination of migration and decision to return (Fouarge, Ozer & Seegers, 2019). It is also helpful to analyze with more depth the backgrounds of migration decision and the underlying purpose. To illustrate, some interviewees state that searching for a job opportunity was the main motive to migrate. Whereas, the researcher found out clear hints towards injustice in the workplace, unfair pay or cultural misfit as main reasons pushing the individual to search for job opportunities abroad.

It was also challenging for the researcher to explore tacit knowledge acquired by both migrants and returnees. Therefore, it is advisable to use an assessment questionnaire that could help in measuring acquired knowledge that the subject of study is unaware of. Furthermore, comparative studies before and after the migration duration could help in eliminating other factors such as the subject of study's bias or perception.

References:

- Anwar, R. P., & Chan, C. (2016). Contrasting return migrant entrepreneurship experiences in Javanese villages. *International Migration*, *54*(4), 150–163. https://doi.org/10.1111/imig.12232
- Ayman Ismail, Tolba, A., Barakat, S., & Meshreki, H. (2018). *Global Entrepreneurship Monitor GEM Egypt Report 2017-18*. https://doi.org/10.1109/VS-GAMES.2015.7295756
- Baláž, V., & Williams, A. M. (2004). "Been there, done that": International student migration and human capital transfers from the UK to Slovakia. *Population, Space and Place*, 10(3), 217–237. https://doi.org/10.1002/psp.316
- Baláž, V., Williams, A. M., Moravčíková, K., & Chrančoková, M. (2021). What competences, which migrants? Tacit and explicit knowledge acquired via migration. *Journal of Ethnic and Migration Studies*, 47(8), 1758–1774. https://doi.org/10.1080/1369183X.2019.1679409
- Batista, C., McIndoe-Calder, T., & Vicente, P. C. (2017). Return Migration, Self-selection and Entrepreneurship. *Oxford Bulletin of Economics and Statistics*, 79(5), 797–821. https://doi.org/10.1111/obes.12176
- Blachford, D. R., & Zhang, B. (2014). Rethinking International Migration of Human Capital and Brain Circulation: The Case of Chinese-Canadian Academics. *Journal of Studies in International Education*, 18(3), 202–222. https://doi.org/10.1177/1028315312474315
- Black, R., & Castaldo, A. (2009). RETURN MIGRATION AND ENTREPRENEURSHIP IN GHANA AND CÔTE D'IVOIRE: THE ROLE OF CAPITAL TRANSFERS. *Tijdschrift Voor Economische En Sociale Geografie-2009*, *100*(1), 44–58.
- Boeri, T., Brücker, H., Docquier, F., & Rapoport, H. (2012). *Brain Drain and Brain Gain: The Global Competition to Attract High-Skilled Migrants*. Oxford University Press, Incorporated.
- Bryman, A. (2015). *Social Research Methods* (5th ed.). Oxford University Press, Incorporated.
- Cantore, N., & Calì, M. (2015). The Impact of Temporary Migration on Source Countries. In *International Migration Review* (Vol. 49, Issue 3, pp. 697–726). Blackwell Publishing Inc. https://doi.org/10.1111/imre.12178
- CAPMAS. (2018). Migration Booklet.
- Coniglio, N. D., & Brzozowski, J. (2018). Migration and development at home: Bitter or sweet return? Evidence from Poland. *European Urban and Regional Studies*, 25(1), 85–105. https://doi.org/10.1177/0969776416681625
- Cuadros, A., Cuestas, J. C., & Martín-Montaner, J. (2021). Self-employment convergence in Europe: The role of migration. *PLOS ONE*, *16*(4), e0250182. https://doi.org/10.1371/journal.pone.0250182
- Djajic, S. (2010). Investment opportunities in the source country and temporary migration.
- Docquier, F., & Rapoport, H. (2012). Globalization, brain drain, and development. Journal of



- Economic Literature, 50(3), 681–730. https://doi.org/10.1257/jel.50.3.681
- Dustmann, C., Fadlon, I., & Weiss, Y. (2010). Return migration, human capital accumulation and the brain drain. *Journal of Development Economics*, *95*(1), 58–67. https://doi.org/10.1016/j.jdeveco.2010.04.006
- El-Mallakh, N., & Wahba, J. (2021). Upward or downward: Occupational mobility and return migration. *World Development*, *137*. https://doi.org/10.1016/j.worlddev.2020.105203
- Fafchamps, M., & Shilpi, F. (2013). Determinants of the Choice of Migration Destination. *Oxford Bulletin of Economics and Statistics*, 75(3), 388–409. https://doi.org/10.1111/j.1468-0084.2012.00706.x
- Hamdouch, B., & Wahba, J. (2015). Return migration and entrepreneurship in Morocco. *Middle East Development Journal*, 7(2), 129–148. https://doi.org/10.1080/17938120.2015.1072696
- Kamninga, T. M., Phangaphanga, M., & Henderson Masanjala, W. (2020). The impact of skill acquistion on choice of occupation and destination for migrant youths in Malawi. *Migration and Development*, 1–19. https://doi.org/10.1080/21632324.2020.1808366
- Kasnauskiene, G., & Palubinskaite, J. (2020). Impact of high-skilled migration to the UK on the source countries (EU8) economies. *Organizations and Markets in Emerging Economies*, 11(1), 55–68. https://doi.org/10.15388/omee.2020.11.23
- Lacomba, J., & Cloquell, A. (2017). Migration, Productive Return and Human Capital: Lessons from the new Governmental Policy on Migration in Ecuador. *International Migration*, 55(2), 109–125. https://doi.org/10.1111/imig.12314
- Lim, S. S. (2018). Aspirations of Migrants and Returns to Human Capital Investment. *Social Indicators Research*, *138*(1), 317–334. https://doi.org/10.1007/s11205-017-1649-6
- Mahé, C. (2021). Return migration and self-employment: is there a 'jack-of-all-trades' effect? *Oxford Economic Papers*. https://doi.org/10.1093/oep/gpab013
- Makram, N. (2021). Webinar on Experiences and thoughts of Egyptian professionals living abroad.
- Marchetta, F. (2012). Return Migration and the Survival of Entrepreneurial Activities in Egypt. *World Development*, *40*(10), 1999–2013. https://doi.org/10.1016/j.worlddev.2012.05.009
- McCormick, B., & Wahba, J. (2001). Overseas work experience, savings and entrepreneurship amongst return migrants to LDCs. *Scottish Journal of Political Economy*, 48(2), 164–178. https://doi.org/10.1111/1467-9485.00192
- MEDCE. (2021, April 23). About The Ministry of Emigration Dialogue Center for Egyptian youth studying abroad. https://medcegypt.net/about
- Mehrez, D., & Hamdy, H. (2010). Skilled Egyptian Diasporas Contribution to Egypt. *Education, Business and Society: Contemporary Middle Eastern Issues*, 3(4), 250-261.
- Ministry of Planning, M. and A. R. (2015). Sustainable Development Strategy Egypt.
- Mountford, A., & Rapoport, H. (2011). The brain drain and the world distribution of income. *Journal of Development Economics*, 95(1), 4–17.



- https://doi.org/10.1016/j.jdeveco.2009.11.005
- MSEEEA. (2021). *Masr Ma'ak*. http://www.emigration.gov.eg/DefaultAr/DocumentsLibrary/masr ma'ak Feb 2021.pdf
- Nakagawa, M. (2020). Skill Transferability and Migration: A Theoretical Analysis of Skilled Migration Under Frictional Skill Transfer. *International Economic Journal*, *34*(2), 202–237. https://doi.org/10.1080/10168737.2020.1747100
- Naudé, W., Siegel, M., & Marchand, K. (2017). Migration, entrepreneurship and development: critical questions. *IZA Journal of Migration*, 6(1). https://doi.org/10.1186/s40176-016-0077-8
- OAMDI, 2019. Labor Market Panel Surveys (LMPS), http://erf.org.eg/data-portal/. Version 2.0 of Licensed Data Files; ELMPS 2018. Egypt: Economic Research Forum (ERF).
- Pîrvu, R., & Axinte, G. (2012). RETURN MIGRATION-REASONS, CONSEQUENCES AND BENEFITS. *Economics*, 12(4), 193–202.
- Regmi, M., Paudel, K. P., & Bhattarai, K. (2020). Migration decisions and destination choices. *Journal of the Asia Pacific Economy*, 25(2), 197–226. https://doi.org/10.1080/13547860.2019.1643195
- Sabadie, J. A., Avato, J., Bardak, U., Panzica, F., & Popova, N. (2010). *Migration and Skills The Experience of Migrant Workers from Albania, Egypt, Moldova, and Tunisia*.
- Samari, G. (2021). Coming back and moving backwards: return migration and gender norms in Egypt. *Journal of Ethnic and Migration Studies*, 47(5), 1103–1118. https://doi.org/10.1080/1369183X.2019.1669437
- Schwab, K. (2019). The Global Competitiveness Report. The World Economic Forum. 196-201.
- Sinatti, G. (2019). Return migration, entrepreneurship and development: Contrasting the economic growth perspective of Senegal's diaspora policy through a migrant-centred approach. *African Studies*, 78(4), 609–623. https://doi.org/10.1080/00020184.2018.1555310
- Tsourapas, G. (2018). Egypt: Migration and Diaspora Politics in an Emerging Transit Country. In *Migration Policy Institute*. https://www.migrationpolicy.org/article/egypt-migration-and-diaspora-politics-emerging-transit-country
- Tynaliev, U. M., & McLean, G. N. (2011). Labour migration and national human resource development in the context of post-soviet kyrgyzstan. *Human Resource Development International*, *14*(2), 199–215. https://doi.org/10.1080/13678868.2011.558316
- UN. (2015). UN SDGs. https://sdgs.un.org/goals
- Uprety, D. (2020). Does Skilled Migration Cause Income Inequality in the Source Country? *International Migration*, *58*(4), 85–100. https://doi.org/10.1111/imig.12661
- Wahba, J. (2015). Selection, selection, selection: the impact of return migration. *Journal of Population Economics*, 28(3), 535–563.
- Wahba, J., & Zenou, Y. (2012). Out of sight, out of mind: Migration, entrepreneurship and social capital. *Regional Science and Urban Economics*, 42(5), 890–903. https://doi.org/10.1016/j.regsciurbeco.2012.04.007



- Wang, Z., De Graaff, T., & Nijkamp, P. (2016). Cultural Diversity and Cultural Distance as Choice Determinants of Migration Destination. *Spatial Economic Analysis*, 11(2), 176–200. https://doi.org/10.1080/17421772.2016.1102956
- Wassink, J. (2020). International migration experience and entrepreneurship: Evidence from Mexico. *World Development*, *136*. https://doi.org/10.1016/j.worlddev.2020.105077
- World Bank Group. (2020). Doing Business in Egypt. 2-69.



Appendix 1:

CASE #2020-2021-077



To: Shorouk Fouda Cc: Menna Youssef

From: Atta Gebril, Chair of the IRB

Date: March 12, 2021 Re: IRB approval

This is to inform you that I reviewed your revised research proposal entitled "Raturn Migration and Entrepreneurship" and determined that it required consultation with the IRB under the "expedited" category. As you are aware, the members of the IRB suggested certain revisions to the original proposal, but your new version addresses these concerns successfully. The revised proposal used appropriate procedures to minimize risks to human subjects and that adequate provision was made for confidentiality and data anonymity of participants in any published record. I believe you will also make adequate provision for obtaining informed consent of the participants.

This approval letter was issued under the assumption that you have not started data collection for your research project. Any data collected before receiving this letter could not be used since this is a violation of the IRB policy.

Please note that IRB approval does not automatically ensure approval by CAPMAS, an Egyptian government agency responsible for approving some types of off-campus research. CAPMAS issues are handled at AUC by the office of the University Counsellor, Dr. Ashraf Hatem. The IRB is not in a position to offer any opinion on CAPMAS issues, and takes no responsibility for obtaining CAPMAS approval.

This approval is valid for only one year. In case you have not finished data collection within a year, you need to apply for an extension.

Thank you and good luck.

Dr. Atta Gebril IRB chair, The American University in Cairo 2046 HUSS Building T: 02-26151919

Email: agebril@aucegypt.edu

Institutional Review Board The American University in Cairo AUC Avenue, P.O. Box 74 New Cairo 11835, Egypt. tel 20.2.2615.1000 fax 20.2.27957565

Email: aucirb@aucegypt.edu



Appendix 2:



Documentation of Informed Consent for Participation in Research Study

Project Title: Return Mign	ation and Entrepreneurship					
Principal Investigator: Sh	orouk Said Fouda					
Email: slouda@aucegypted	<u>ba</u>					
Phone Number: +20(1200	0185001)					
"You are being asked to participate in a research study. The purpose of the research is the fulfillment of requirements of a postgraduate degree in Public Administration and the findings will be published in the Digital Archive and Research Repository of The American University in Cairo.						
The expected duration of y	our participation is 30 minutes - 1 hour.					
	arch will include an analysis of data available on return migrants, as well as a current and return migrants.					
	you from this research, as the researcher hopes to shed light on the potential rants to the economy and suggest policies to support return migrants.					
	ride for purposes of this research is confidential and the researcher will not dentity. The researcher will use pseudonyms.					
	 and data will be stored for three years on a password protected computer, as password protected hard disk. 					
If you wish to ask any ques	tions about the research, refer to:					
Principal Investigator: Sh	orouk Said Fouda					
Email: sfouda@aucegypt.ed	lu					
	is voluntary. Refusal to participate will involve no penalty or loss of benefits to ntitled. You may discontinue participation at any time without penalty or the loss e otherwise entitled.					
Signature						
Printed Name						
Date						



Appendix 3:

Interviewee:
Date:
Time:

Return Migration and Entrepreneurship

Interview Questions

Thank you for participating in this study, The purpose of the research is the fulfillment of the requirements of a postgraduate degree in Public Administration.

The expected duration of your participation is 30 minutes - 1 hour.

Note: Allow the interviewee some time to read the consent form.

Section One: General Ouestions

- 1. How long have you stayed abroad?
- 2. Which Country did you reside in abroad?
- Did you happen to switch countries while abroad (lived in more than one Country)?
 Please mention the Countries.
- What was the purpose of migration (work, education..etc.)?

Section Two: Specific Questions about migrant experience abroad

If the purpose of migration is work, ask the below questions:

Did you receive effective and comprehensive onboarding training?

Throughout your tenure at work:

- 1. Was your organization able to achieve its goals/strategy?
- 2. Did you receive sufficient training?
- 3. Were you offered fund to complete technical certifications?
- 4. Were you given the opportunity to attend conferences or seminars related to your work scope?
- Were you given job rotation opportunities?
- Were you given the opportunity to work with a team on a project or executing certain teals?
- 7. Did you get the chance to acquire leadership skills? Were you able to practice these leadership skills (leadership position)?
- 8. Were you given the opportunity to express your opinion in group discussions?
- Were innovative ideas encouraged?

Page 1 of 2



- 10. To which extent do you believe that your work environment was diverse? How did you benefit from this diversity?
- 11. Did you plan on completing a postgraduate certificate? If yes, what was your motivation?

If the purpose of migration is education, ask the below questions:

- 1. Which degree were you planning on completing when you first travelled?
- 2. Why did you choose this country in specific to pursue your degree (technological advancement, pioneer in the chosen field, availability of work opportunities, plan to pursue citizenship)?
- 3. What skills do you believe studying abroad helped you acquire that you could have not acquired otherwise (if you stayed in Egypt)?
- Were you given the opportunity to work while studying? If yes, specify details and go to specific questions about work experience section.
- Upon completion of your degree, did you search for job opportunities? Or did you plan on returning to your home Country?
- 6. Did you plan on completing other degrees during your stay?

Section Three: Upon return

- 1. When did you return to your home Country?
- 2. What was the reason to return (personal reasons, non-renewal of work contract, etc.)?
- 3. Did you plan on working? Which field did you consider?
- Did you consider starting your own business? If yes, what made you believe that you
 were capable of taking this decision.

If you already have a business, please answer the below:

- 1. Do you mind telling me about your business?
- 2. Can you tell me about your current role or contribution to your business?
- 3. Do you believe there are certain skills that you acquired abroad that made you more competent and ready to start your own business?

