Reassessing the Traditional Skill-Transfer Paradigm: The Example of Rwanda

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INTRODUCTION

Conventional wisdom states that there is a group of countries that, because of their wealth, level of technology and know-how, collective social conscience, and influence in the world, provides technical assistance and skill transfer to countries described as economically "poor" or "developing." Though conventional wisdom might explain the ways and directions in which know-how historically flowed, the last few decades have seen a rise in know-how transfer that differs in degree and scope in a way that subverts the traditional assumptions.

That actors in relatively more economically advanced countries provide assistance to their counterparts in less advanced countries is expected. What may be surprising is the high frequency of skill movement from countries that are perceived to be too underdeveloped or poor to have any skills of value that can be transferred or offered for sale internationally. Transfers from these countries do in fact occur, across the sophistication spectrum—from stonecutters to surgeons. Almost always, it turns out

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that actors in the sending countries have neighbors or trading partners in other countries who are, relatively speaking, even worse off. The sending countries then arbitrage—take advantage of a skill differential between two markets—and the resulting arrangements improve the financial well-being of those in both the sending country and the receiving country.

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Drawing on firsthand experience and observations of skill movement between Rwanda and the four other countries of the East African Community (EAC)—Kenya, Tanzania, Uganda, and Burundi—as well as neighboring states, this article illustrates how skill providers come from nearly *all* countries and move across borders to work in almost all countries.

TYPES OF SKILL MOVEMENT AND THE EAC

Professor Michael Porter of Harvard Business School argues in his classic work *The Competitive Advantage of Nations* that countries must be "endowed" or advanced in four areas in order for the conditions for sustainable competitiveness to exist:

- firm strategy, structure, and rivalry;
- factor conditions;
- demand conditions; and
- related and support industries.

These four areas are interconnected, as advancement in one area can have an effect on the others.[1]

The existence of skills is a "factor condition" for a country that seeks to leverage domestic labor to its advantage. These skills can be imported, borrowed, or indigenous, but they must be present. They can be created; they need not be "inherited." In fact, those skills that are consciously created are likely to be sources of competitive advantage. Without them, a country is unlikely to innovate, find its place as an equal within the international trade and finance order, or maintain and refine whatever equipment or hardware it might import.

The reasons causing and perpetuating the disparities in skill endowments between countries vary. For instance, some skill deficiencies persist when an industry lacks a particular skill and then fails to maintain internationally recognized standards of excellence. Regardless of how they are created, skill deficiencies are usually addressed through the movement of the required skills from countries that possess those skills to countries that both need them and offer a welcoming environment for them. This is *not* the same as skills flowing from areas of excess to areas of deficiency: the countries from which the skills emigrate can and do find themselves with deficiencies caused by those defections. Ideally, policymakers should carefully monitor their domestic business climate to ensure that valuable, needed skills do not depart due to conditions that fail to support those skills or provide possibilities for growth. Such damaging conditions commonly include: poor salaries, restricted opportunities for growth, an unsuitable business climate, or even just the perception that these conditions have developed. A country's long-term growth, prosperity, and competitiveness can depend on the stock of such human capital it can create, attract, and retain, which is certainly true for the countries of the EAC.

If skills are viewed in terms of stocks and flows, they can be seen as static assets of a single country or as mobile assets that can move with relative ease from one country to another, depending on the political and economic circumstances and the demand for particular skills. Prosperity is enhanced when a country uses all the resources at its disposal—indigenous and imported. Within the five-country bloc of the EAC, there are significant differences in skill endowments between the member nations. The gaps created by such differences signal opportunities for those willing to risk relocating to neighboring countries, either permanently or temporarily. Rwanda, with a GDP growth rate of 11.2 percent in 2008, is a prime example of a country that has fostered growth in part by intentionally creating a business environment in which skill movement of all kinds is welcome.

Before discussing the movement of skills in and around Rwanda, we must first distinguish the terms "skill transfer," "skill displacement," and "skill provision" in order to avoid confusion.

Skill transfer involves an individual in one country teaching someone in another country who does not possess the needed skill in question but who is willing to acquire it—and is given the resources to do so. Skill transfer is usually paid for through foreign aid, stipends paid to the transferors by volunteer organizations, or by faith-based groups.

Sometimes, the skill exists in the receiving country but is crowded out by better-qualified and/or lower-priced foreign skill providers. In this case, the indigenous skill may be lost over time. The foreign skill can become so firmly entrenched that it becomes, for all intents and purposes, the only domestic source of this skill. This is *skill displacement.*

A person may cross a border to make a skill available that does not exist in the receiving country because its citizens, as rational actors, have chosen to develop or practice other skills. This is *skill provision*—making a skill available where it was not present before. When citizens of a country are not productively focusing on developing needed skills, but rather are focusing on basic survival, skilled foreigners often flow into this vacuum to provide those needed skills.

THE EMERGENCE OF FORMAL SKILL TRANSFER BETWEEN DEVELOPING COUNTRIES

In the early post-independence years, many newly independent countries turned to their colonizers for skill acquisition and general development assistance, as well as to international organizations that were just beginning to articulate their policies and roles in the sphere of skill transfer. Some developing nations, however, looked instead to other developing nations to meet their skill needs.

Some of the earliest examples of technical cooperation and skill transfer among developing countries came from the expansion of the airline industry. In the 1940s, Ethiopian Airlines (ET) entered into a management contract relationship with Trans World Airlines (TWA) of the United States.[2] As skills were transferred and ET gained in reputation and competence, it began to offer some of the same assistance it had received from TWA at affordable prices to other newly independent African states that were hastening to establish their own airlines but were desperately short of skilled staff.

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Some newly independent countries preferred to seek assistance from their fellow developing countries for ideological reasons in the interest of South-South solidarity. The language of the official statements that emerged from the Afro-Asian Conference in Bandung, Indonesia in 1955, the Movement of Non-Aligned Countries in 1961, and the Group of 77 in 1964, all referred to the importance of nurturing developing-to-developing exchanges if the countries of the South were to flourish independently of the involvement of their former colonial masters.[3] The lack of focus, financing, and a critical mass of qualified skill providers meant that little came of the cry for South-South skill transfer through the formal channels designated to represent the interests of the countries of the South. Through their membership in the UN, however, these same countries began to press for recognition of the importance of South-South skill transfer in programs that were beginning to emerge.

International organizations eventually articulated skill-transfer programs, with varying degrees of success. The UN has led two high-profile formal initiatives to harness the skills and know-how of citizens of developing economies in the support of other countries less endowed with these knowledge resources. Transfer of Knowledge Through Expatriate Nationals (TOKTEN) aims to leverage the resources of diaspora populations, while Technical Cooperation Among Developing Countries (TCDC) works to facilitate technical cooperation between developing nations.

The United Nations Development Programme (UNDP) launched TOKTEN in 1977 in order to mobilize the technical services of highly committed, successful members of diaspora populations by affording them with the opportunity to return to their country of origin to support that country's development. Returnees volunteer to work as temporary consultants on short-term, high-impact projects, generally for six months, and UNDP covers all travel expenses and provides a living allowance.

While TOKTEN placements have begun in many developing states across the world—such as China, India, Poland, Lebanon, Mali, Turkey, and Palestine—the program has had a limited impact and suffers from institutional problems. Even though TOKTEN emphasizes concentrated interventions, local governments or organizations can undermine a project's intended impact by stymieing volunteers with bureaucratic red tape or through inflexible, cautious, or underfunded ministries. Local staff is often uncooperative toward the more experienced, skilled TOKTEN volunteers, and the returnees are sometimes viewed with suspicion if they have not shared in the national suffering of a military dictatorship, economic crisis, or some other collective experience. Also drawback of TOKTEN's is its reliance on volunteerism, which removes for-profit incentives to motivate diaspora members. By providing only subsistence stipends rather than international or market salaries, TOKTEN relies overmuch on the limited participation of those who can afford to donate their services, thereby eliminating a huge swath of potential skill providers.

The TCDC program believes developing countries have much to offer one another, because Northern states that offer solutions often lack sufficient experience with local conditions necessary for a program to succeed. Its programs aim to enhance national and collective self-reliance and to broaden the base for international technical cooperation by building relationships between developing states. Thus, TCDC's activities are set up between developing states across institutions in both the public and private sectors; they involve the sharing of know-how and facilities, and they are directly managed, implemented, and primarily funded by the participating state governments. Unfortunately, TCDC's initiatives have accomplished little thus far, and like TOKTEN, the program has been criticized for its inefficient bureaucracy and general ineffectiveness. Though TCDC initiatives have generated numerous reports, the program's critics argue that it has resulted in insufficient mainstreaming of ideas when they are introduced, and that exchanged ideas are inadequately adapted to the receiving country's local conditions.[4]

SKILL MOVEMENT INTO RWANDA

The research upon which this paper is based was sparked by the presence of a number of highly skilled Sri Lankans in Rwanda—a country short on skills and in dire need of skill enhancement.[5] The Sri Lankan presence seemed to represent an effort on Rwanda's part to create competence, where such competence was lacking, through a conscious policy of skill provision and, to a lesser degree, skill transfer.

Tea is one of Rwanda's key exports. Due to the similarities between Rwanda's and Sri Lanka's climate and terrain, a handful of Rwanda's 11 tea plantations recruited Sri Lankan managers. Because the plantation-management experience was lacking among the local population, this marked a clear case of skill provision. Even in a commodity business, competitiveness determines the winners and losers every bit as much as the quality and quantity of raw material produced. Sri Lanka has outperformed its factor endowments (e.g., size, acres under cultivation, and distance from end-user markets), and Rwanda hoped that this experience could be a model to help it learn how to outperform as well, based upon the country's landlocked location, low productivity, and undifferentiated product. The Sri Lankan managers brought with them knowledge of international tasting events, auctions, grading characteristics, specialty niche markets, branding, labeling, and packaging. Equally important, they knew tea—cloning, planting, thinning, propagating, plucking, drying, fermenting, steaming, rolling, and blending. These were precisely the kinds of skills Rwandan tea plantations lacked, and the country was happy to obtain them as it tried to compete in the international tea market. The input of skilled Sri Lankans helped propel the Rwandan tea sector's growth and reputation from moderate to respectable rankings among its closest competitors in the international arena. These results have been corroborated by two surveys of tea purchasers taken by OTF Group conducted in 2003 and 2007, as evidenced in *Figure 1* below.

COMPARISON OF TEA QUALITY BY INTERNATIONAL TEA SUPPLIERS, 2003 AND 2007

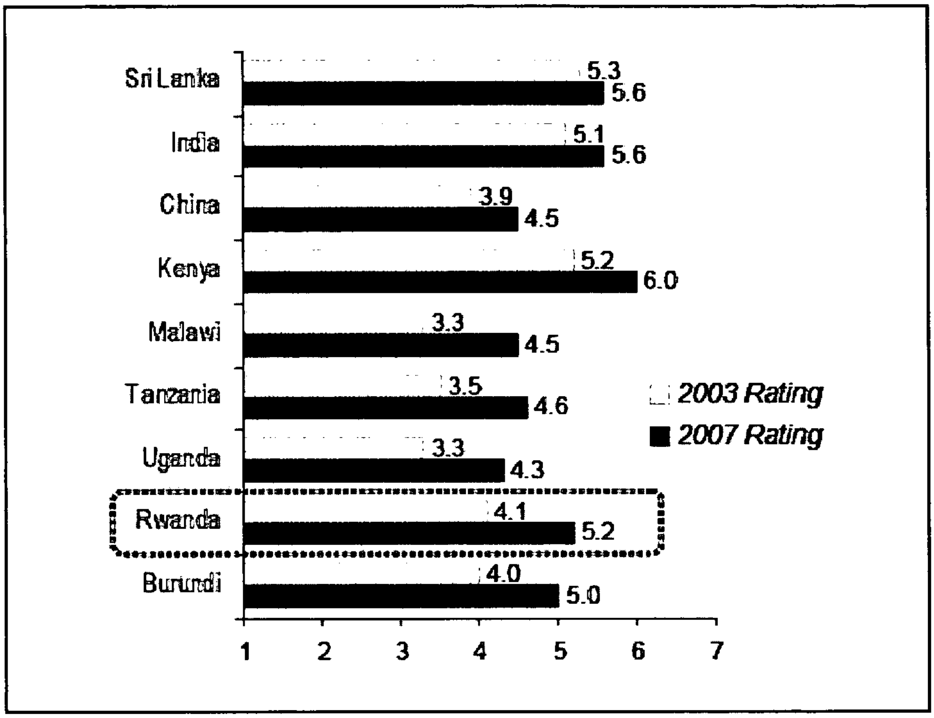

Figure 1 Comparison of Tea Quality by International Tea Suppliers, 2003 and 2007

The Sri Lankans recruited to manage Rwandan tea plantations looked for ways to leverage their home networks of contacts and suppliers. The result has been that much of the machinery installed in Rwanda's tea processing factories now comes from Sri Lanka. This has created a welcome and unexpected export market for Sri Lanka—and a source of market integration, sophistication enhancement, and development for Rwanda. The need to integrate forward and backward to buffer production from environmental uncertainties in Rwanda and from water and electricity unpredictability has led to other skill and technology provisions from Sri Lanka, notably in the area of mini-hydroelectric plants. These plants were perfectly suited for the labor availability, wage rates, technical capability, and geography of Rwanda.

In Rwanda, one can find a number of other interesting examples of skill transfer, skill displacement, and skill provision. Barbers, hairdressers, and charcoal-makers from the Democratic Republic of Congo (DRC) have displaced Rwandans who have traditionally performed these services. Interviews with Rwanda-based Congolese barbers reveal that although their Rwandan counterparts are just as competent, strictly speaking, as they are, the Rwandan barbers lack patience—a necessary quality for the meticulous weaving and tressing of women's hair required by East African tradition. Many Congolese migrants in Rwanda perceive Rwandans to be timid, which has an impact on the willingness of Rwandans to launch their own entrepreneurial ventures in the hair care field. It also means that Rwandans have visible discomfort and nervousness when serving customers in powerful positions. Additionally, one barber stated that Rwandans tend to hold grudges for a long time—even against clients—which is in sharp contrast to the more reconciliatory attitude of the Congolese barbers. The result of this cultural difference is that Congolese barbers manage to retain dissatisfied customers through their willingness to put misunderstandings or unpleasant incidents behind them, while this was reported to be extremely difficult for Rwandan barbers to do.

Skill displacement sometimes results because a foreign workforce is prepared to accept salaries lower than what the natives will accept, to the point that the native workers would actually prefer to be unemployed than to work for what they perceive to be menial wages. Such is the case in Rwanda among primary education teachers. Many Rwandan teachers, even after having been trained at government expense, have abandoned the field of education, which has created an opportunity for the Congolese, who have better French language skills, can tolerate the long hours and often austere working conditions, and are willing to work for lower wages. Additionally, since Rwanda's adoption of English as its official language five years ago, Kenyan teachers are now beginning to appear in Rwanda's English-language classrooms. This pattern of Rwandan skill displacement will perpetuate because English competence has become an even more prized qualification than French fluency. English speakers are actively sought by the public and private sectors alike, and the appeal of higher wages makes the abandonment of a primary school teaching post an easy decision.

Price is not always the determining factor in skill displacement. Female customers pay up to 400,000 Rwandan Francs to have their hair styled by Congolese hairdressers, which amounts to a 400 percent price premium over what the remaining Rwandan hairdressers would charge for the same work. Similarly, Ugandans have a near-monopoly in car repair in Rwanda: Ugandan mechanics charge higher prices than their Rwandan counterparts and are able to command this price premium based on the greater skills they offer.

Many other industries have experienced an influx of foreign nationals, in both Rwanda's public and private sectors. Mauritian commercial high-court judges have been brought to Rwanda with the mandate to transfer their skills and knowledge to local counterparts who will take over for the Mauritians upon the expiration of their contracts. Rwanda's national soccer team is comprised of nearly 80 percent Congolese-immigrant players. The same timidity described above in the hair-care sector has resulted in home-grown Rwandan players being pushed out of high-level soccer in the country, displaced by the more tenacious Congolese. In the wicker furniture industry, skilled Congolese furniture finishers provide skills and products that would otherwise be absent from the Rwandan market—and among Rwanda's practicing architects, Kenyans now outnumber ethnic Rwandans, ten to nine.

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The OTF Group is a Belmont, Massachusetts-based competitiveness strategy consultancy that has maintained an office in Rwanda since 2001. It has a conscious policy of recruiting, training, mentoring, and internationalizing local staff, thereby transferring skill from its international staff to its Rwandan national staff. The OTF Group's Rwandan office has grown to twenty-one staff members, and there are costs to OTF Group's involvement in skill transfer to its staff, such as salaries paid and staff defections to competitors. A company obviously seeks to receive the highest possible return on its training and skill-transfer investment, and it can be argued that the highest return would result if those trained by the organization remain on its staff. To the contrary, the OTF Group has recognized that it may be wiser to measure return using other variables than longevity with the firm: Rwandan staffers that leave the OTF Group after having received good training there speak well of their former employer, send new business its way, and cast Rwanda in a positive light when they excel in their subsequent careers. When Rwanda and Rwandans perform well, even when no longer part of the OTF Group, the company's benefits in seeing the skills they transferred put to use and leveraged throughout Rwandan society. This far outweighs the costs of having transferred, and then lost exclusive access to, those assets, and the OTF Group is justifiably pleased, because this is the most tangible way for the company to measure its impact and success.

SKILL MOVEMENT OUTWARD FROM RWANDA

Having identified all three types of skill movements *into* Rwanda, this section will now address skill flows in the opposite direction. In the beer-brewing industry, there are two Burundian firms in the local market, Brasserie de Gitega and Brarundi (Brasseries et Limonaderies du Burundi). The latter brewery is owned by Heineken, which also has an affiliate, Bralirwa, in Rwanda. Due to aggressive management with a desire to capture market shares in Congo and Burundi, Burundian production is being displaced by Rwandan production. If the Rwandan Bralirwa set up warehouses in Burundi to facilitate wholesale purchase of its products by Burundian buyers, the purchase or construction of bottling and/or brewing facilities inside Burundi would probably follow. Though Burundian consumers welcome the greater choice in beverage products, Burundian producers see their efforts at managing enterprises in one of the few profitable sectors in the country being thwarted by the larger, better organized, and more aggressive Rwandan brewery.

Explicit skill transfer has been limited to international nongovernmental organizations (NGOs) and UN agencies that desire to have a presence in neighboring Burundi or the DRC and commit to hiring nationals of the country in which they operate for leadership positions (as soon as they can be trained). Drawing on qualified Rwandans who speak common languages with their neighbors (Kirundi/Kinyarwanda, French, and Kiswahili) and have relevant experience from the perspectives of national standard of living, post-conflict reconstruction expertise, cultural sensitivity, and useful sub-regional networks, the NGOs Food for the Hungry, Family Health International, and Norwegian Church Aid have expanded their regional operations (using Rwandan country managers) from their bases in Rwanda to neighboring Burundi and DRC.

During our research we were told of a 24-year-old Rwandan who graduated with Distinction from Rwanda's Kigali School of Finance and Banking in 2006. He was immediately employed by UNDP with a mandate to provide technical assistance to the team working on the UN Millennium Development Village Project in Rwanda. Because of his exceptional performance in Rwanda, he was sent to the planning department at the Ministry of Finance in Burundi for a three-week assignment for which he was tasked with helping the Burundians carry out a needs assessment for that country's preparedness for achievement of the Millennium Development Goals. The Rwandan trained the representatives of the planning department on how to make use of different models and thereafter consolidate the figures. This is a single, isolated example, and the reality is that there are not many additional ones to highlight: true skill transfer is still a rare phenomenon in Rwanda and the countries that surround it.

Some degree of skill transfer does take place, however, when a firm begins to operate in a second country and sends staff from its home office to manage the new foreign operation. That said, it is often more costly to have an expatriate manager at the helm than a local. Implicit then, in the placement of a Rwandan in charge of an operation, is the hope that at some point a fully trained local counterpart will be able to take over. This might be the case for firms like EcoBank and Fina Bank, or KK Security—a security firm that provides guard services to residences and office buildings.

The International Centre for Soil Fertility and Agricultural Development (IFDC) currently has branches in Rwanda and is in the process of opening new ones in Burundi. Its explicit policy is to hire a qualified Burundian, if one can be found, for the position of country manager. Because one has not yet been found, however, IFDC relies on its Rwandan manager and core staff of five Rwandan specialists to service their markets in Burundi and the DRC.

In the DRC and Burundi, trained staff—in almost any field—are scarce. Entrepreneurs with capital to set up businesses to cater to local demand are similarly hard to find. Rwandans have been willing to take some of their successful business ideas abroad in search of new markets, and some have been very successful in these endeavors. The poverty, lack of infrastructure, aggravated political instability, and "brain drain" from the North and South Kivu provinces of the eastern DRC that border Rwanda have created exactly the kind of vacuum into which skill provision from capitalized, non-risk-averse entrepreneurs is welcome. Burundi is more stable than the DRC politically, but it is nearly as deficient in the skills demanded by its citizens as the DRC is. Rwanda's proximity, reinforced by family ties, geographical familiarity, and traditional trading patterns in the basic commodities and the low-cost household goods trade, have made Burundi and the DRC natural destinations for Rwandan skill providers.

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There are a number of interesting cases of skill provision from Rwanda into less-dynamic neighboring countries, especially Burundi. To date, these occurrences have mainly fallen into two categories: information and communications technology companies, and transportation companies.

Rwandan technology firms have stepped in to meet the unmet Burundian consumer demand for communications technology sold, installed, maintained, and operated by professionals. Rock Global, for example, was started by two young Rwandan men who originally exported their skills to Burundi, bidding on and ultimately implementing Burundian network installation and administration projects. As business grew, the company opened a local branch office in Burundi. The company currently boasts a staff of 17, of whom 15 are Rwandan and 2 are Burundian. Further examples of cross-border skill providing within the information and communications technology sector include firms like Afritel (voice over Internet protocol, or VoIP, service provider) and Tele-10 (satellite television programming).

Rwandan transportation firms provide safe, reliable, and comfortable bus services between Burundian destinations and from Rwanda to Burundi—services no Burundian enterprise has been willing or able to provide. Transportation companies have included publicly and privately owned inter-city bus companies, such as: Yahoo Car Express, New Yahoo Car, Belvedere, and Rwanda's government-owned enterprise, ONATRACOM.

A third category of Rwandan skill provision is in the field of tobacco product commercialization. Here, a Rwandan firm has provided venture capital, financial management, and asset-oversight skills to the Burundi Tobacco Company, although the Rwandan firm has left the day-to-day management of the company to Burundians. An internal lack of these higher-order enterprise management skills would probably have led to the failure of a company like this, but the presence of seasoned and experienced Rwandans in senior management and ownership has provided skills—and ultimately products—demanded by the Burundian market.

REGIONAL INTEGRATION, THE ROLE OF DIASPORA COMMUNITIES, AND STRATEGIC IMPLICATIONS FOR RWANDA

There are several efforts at regional integration currently at play in and around Rwanda. The Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC), and the EAC all include Rwanda or its neighbors. Some of the objectives of these organizations facilitate the acquisition of permits for work, entrance, and residency for citizens of member states abroad. As a result, skills are moving in a more robust—and more legal—way than at any time since the colonial partition of eastern and southern Africa in the late 1800s. This is a boon to the idea of private sector-led skill movement, which can occur without the need for any UN facilitation or special programs. The mere legalization and simplification of cross-border movement has removed important obstacles, and the market is taking care of the rest.

Rwanda has the opportunity to become a leader in its sub-region through the movement of skills to neighboring countries. This will enhance Rwanda's reputation and reinforce evidence of its remarkable comeback from the dislocations of the 1994 genocide. Those who move skills abroad often help the Rwandan economy by sending remittances back to Rwanda. Finally, as Rwanda, a small, landlocked, and in many ways psychologically isolated country, engages in skill transfer, it opens itself to input from the events and activities of the world at large by having ambassadors abroad who move skills into the neighboring countries.

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From an efficient markets perspective, the movement of "surplus" skills out of the country could be advantageous to those firms and individuals who remain behind. Such skill movement can relieve market crowding, and one of two things can happen to those who remain: the population may either compensate for the loss of the risk-takers who depart for perceived "greener pastures" by rising to fill those gaps themselves; or the local population may become strengthened, its ranks thinned by the departure of the least-qualified of its members. In Rwanda, both outcomes are possible.

On the other hand, skill movement can constitute a form of "brain drain." Depending on whether the skills in question are surplus or not, and whether they constitute the kinds of skills which a given country—in this case Rwanda—wishes to emphasize, their movement can constitute a real loss for a country that may actually need those skills to continue its own development.

Diaspora populations are important, regardless of whether the home and host countries are rich or poor. These populations often have networks of contacts, risk tolerance, multilingual abilities, an absence of risk-aversion, comfort with uncertainty, funds to remit, and technological, transportation, or communications sophistication on a higher level relative to their compatriots who have never left their home country. Diaspora populations acquire skills at home that they export abroad, and they also acquire skills abroad that they import back home when they resettle, retire, or return to invest. If a nation's government monitors and communicates with members of its diaspora community, the diaspora can have an impact at the macroeconomic level in many important ways. Regrettably, these maintenance activities are usually left to informal channels, which, though often well intentioned, are often fragmented and compartmentalized.

The Government of Rwanda, however, has recognized the important role that Rwandan citizens abroad can play at home, and it has established a Diaspora Directorate General within its Ministry of Foreign Affairs. Private Rwandan diaspora organizations have sprung up in Germany, Canada, and other countries. While the voices of these private diaspora groups have yet to be heard in any loud or concerted way back in Rwanda, they are increasing their levels of organization.

RWANDA AS AN EXAMPLE OF A LARGER TREND

Countries that wish to be internationally competitive must possess the full range of skills required by a given industry. If all of those skills are available locally, then information flows, the pace of innovation increases, a critical mass exists to lobby for regulatory streamlining, costs drop, quality rises—and competitiveness results.

However, every country has needs that it cannot meet on its own. Workforce mobility, globalization, off-shoring, and the creation of new businesses—with new skill requirements—ensure that this is so. Employers and policymakers need to stay focused on bringing about the greatest prosperity possible for consumers. Accommodating and assisting with skill movement is usually consistent with the enhancement of competitiveness and, ultimately, of prosperity. Distinguishing between skill transfer, skill displacement, and skill provision can be important in strategically addressing competitiveness enhancement.

In the discussion above of Rwanda, I have shown how a country that might conventionally be referred to—simplistically—as an aid recipient with perhaps a bit of inbound skill transfer, has, in fact, much more going on by way of skill movement than lay observers might ever have imagined. Informally, entrepreneurs have chosen to emigrate from and immigrate to Rwanda as part of the flow of skills within the sub-region. Formally, Rwanda has fueled its recent impressive growth–with 11.2 percent GDP growth in 2008 alone—in part with skills strategically provided from abroad, with teachers first from DRC and later from Kenya, pilots from Malawi, Namibia, and Ethiopia, and others. The fact that skill gaps remain is partly a testament to the speed with which the Rwandan economy has grown and the dynamic composition of goods and services offered to consumers. That said, the inefficiencies inherent in alerting skill providers to the existence of Rwanda's skill gaps must be acknowledged: not all gaps are attractive in the eyes of those seeking to market their skills, and it is the role of the market and of the government policymakers to improve the attractiveness of those gaps.

What occurs in tiny, skill-starved, struggling Rwanda can be found on far larger scales in other, more sophisticated economies. From Thai sapphire polishers in Sri Lanka to Canadian Ojibwe canoe-builders in the United States, skill movement is a dominating and often misunderstood feature of the global economy.■

ENDNOTES

1 Michael Porter, *The Competitive Advantage of Nations* (New York: Free Press, 1998).

2 Imperial Ethiopian Government, *Agreement Between Imperial Ethiopian Government and Transcontinental and Western Air, Inc.*, September 1945. See also Whitlock, Reid E. "Management Contracts and the Third World Airlines", unpublished Ph.D. dissertation, The Fletcher School of Law and Diplomacy, 1980, Medford, Massachusetts, U.S.A.

3 Augusto Mariategui, "Exchange of Know-How Among Developing Countries," Documentation Centre, International Organization for Migration (IOM), 10th IOM Seminar On Migration 15-17 September 1992, Geneva.

4 Ambassador Mohammed Bennouna, Permanent Representative of the Kingdom of Morocco to the United Nations, Chairman of the Group of 77, "Statement on Behalf of the Group of 77 and China" before the 13th Session of the High-Level Committee On The Review of Technical Cooperation Among Developing Countries, New York, 27-30 May 2003, <http://www.g77.org/Speeches/052703.htm> (Accessed November 10, 2009.).

5 Rwanda ranked 158 out of 177 countries in the UNDP Human Development index in 2006.