

Discussion:

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“International Migration”

World Economic and Social Survey 2004

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Outline

1. Things I learned
 2. Quibbles of substance
 3. Policy recommendations
 - Questioning what's there...
 - ...and what isn't
 4. Research agenda sketch
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1. (Some) things I learned

- Poor haven't moved, and won't move
 - 1995-2000: For every 10,000 in LDCs, 167 are born, 6 move to rich countries
 - Africa til 2050: 1% of increase moves
 - Knowledge transfer from poor to rich
 - 70% of FDI flows to China originate from Chinese community abroad
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2. Quibbles of substance

- “[N]o radical or widespread shifts in policy are anticipated.”
 - Forces moving *skilled* will continue (aging, tech. change, globalization)
 - But: Policy, not fundamentals, blocked post WWI movement of unskilled
 - Similar today: Greater restrictiveness, required migration rates too high
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2. Quibbles of substance

- “Improving human well-being in the developing countries ... should ... reduce the large numbers of people who would emigrate if they had the opportunity.”
 - Hatton and Williamson: In poorest countries (European periphery 1800s, Africa today) income \uparrow \rightarrow migration \uparrow
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3. Policy recommendations

Report: 3 types of recommendations

- a) Improve conditions for migrants in destination country
 - b) Increase benefits and reduce costs to countries of origin
 - c) Improved international cooperation
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3. Policy recommendations

General comments

- Priorities
 - Justification for public action
 - Consistency
 - Destination country political economy
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a) Conditions for migrants

- Rich countries should educate and train migrants
 - Increased incentives to move?
 - Governments should actively combat xenophobia
 - What about *increasing flows*?
 - 78% of Germans against; they're wrong? Domestic compensation of losers?
 - Make retirement benefits portable
 - Recognize more asylum seekers
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b) Net benefit to origin country

- Decrease transaction cost of sending remittances
 - Development impact unclear
 - Support hometown associations and business/academic networks
 - How? If migrants don't know which businesses and development projects to fund, how should we?
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b) Net benefit to origin country

- Policies to facilitate return migration
 - Evidence it's inefficiently low?
 - McKinsey FDI study
 - Promote LDC exports to migrant/diaspora customers
 - Picking winners; diaspora doesn't know what it wants, but we do
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b) Net benefit to origin country

- Allow migrants to participate in political life of origin countries
 - Representation without taxation acceptable to origin countries?
 - Destination countries should ensure they don't take a "critical proportion" of skilled workers
 - Thus block all African professionals??
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b) Net benefit to origin country

- Destination countries should defray training costs of skilled migrants
 - Elsewhere you slam this as ‘incoherent’
 - In poorest countries, this can *increase* migration.

b) Net benefit to origin country

- Countries of origin should train more personnel in areas where there is an excessive outflow
 - If there are opportunities for Malawian nurses, why aren't more Malawians becoming nurses? And if there aren't opportunities, should Malawi produce a bunch of unemployed graduates?
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c) International cooperation

- Achieve the MDGs
 - Rich countries should make migration policy a consistent part of their development policy
 - ‘Consistency’ complex
 - Development impact of mass movement limited
 - Focus on key nodes: Taiwanese tech. parks, Berkely Mafia, etc.
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c) International cooperation

- Better data
 - Definitely!
 - Sign and ratify the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families.
 - But not a single rich country has done so in the 15 years since 1990
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Not in the report

- Let in more unskilled (effect limited)
 - Tax revenue sharing
 - Taxation of diaspora (Eritrea)
 - *Temporary return* of skilled workers
 - Shift to less distortionary tariff-like barriers
 - Long-run solution: either 1) institutional development in sending countries, or 2) ghost countries
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"The last refuge of a social-scientific scoundrel is to call for more research. Nevertheless, I cannot forbear from suggesting some further lines of inquiry."

—Robert Putnam, *Bowling Alone*

4. Research agenda sketch

- Document gains (beyond CGE)
 - Development impact of returning migrants, remittances, etc.
 - Feasibility of occupation-based quotas
 - Case studies of existing temporary schemes
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4. Research agenda sketch

- Limits to political feasibility
 - Effects of migration option on human capital investment
 - China sent 580,000 students overseas between 1979 and 1999, of which 25% had returned by 2002. Is this “enough”?
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4. Specific issues for temporary labor movement schemes

- How to certify labor “shortage”?
 - What to do with overstayers?
 - Ineffective in EU
 - Would require elimination of naturalization programs
 - Remittances held in escrow?
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4. Specific issues for temporary labor movement schemes

- One fourth of US immigrants illegal
 - No negotiating partner: Somalia
 - Canada, Germany, UK, US, Australia, Gulf States, Thailand, Singapore, many others have had such programs. Successes?
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