



World Economic and Social Survey

- Annual flagship report of the UN Department for Economic and Social Affairs
 - Trends and policies in the world economy
 - Selected issues on the development agenda
- 2004 Survey full text available at www.un.org/esa/policy/wess/index.html



World Economic and Social Survey 2004

International Migration

CONTENTS

- Historical background
- Trends in international migration
- National Migration policies
- Economic effects in countries of origin and destination
- Social effects in countries of origin and destination
- Multilateral policy initiatives
- Towards improved cooperation



Migration during the 'first global century' (1820-1914)

- Creation of the "Greater Atlantic Economy"
 - Large migration of surplus labour from the "old world" to the "new world"
 - Convergence in wages between the two areas
 - Migration policies became increasingly restrictive since late 19th century
- Migration among "developing" countries
 - Mostly contract labour producing primary commodities
 - High costs and relative immobility of labour deterred independent migration
 - Declined because of fall in export prices of primary commodities
- These 2 migration flows ran parallel to each other, due to discrimination in newly settled areas against Asian migrants



Differences between the two periods of migration

'First global century'

- Migration mainly within developed world
- Export of surplus labour from Europe
- Few restrictions on immigration of European population
- Large impact on population growth of destination countries
- Convergence of income
- Segmentation of migration flows became source of North-South inequalities

Current period

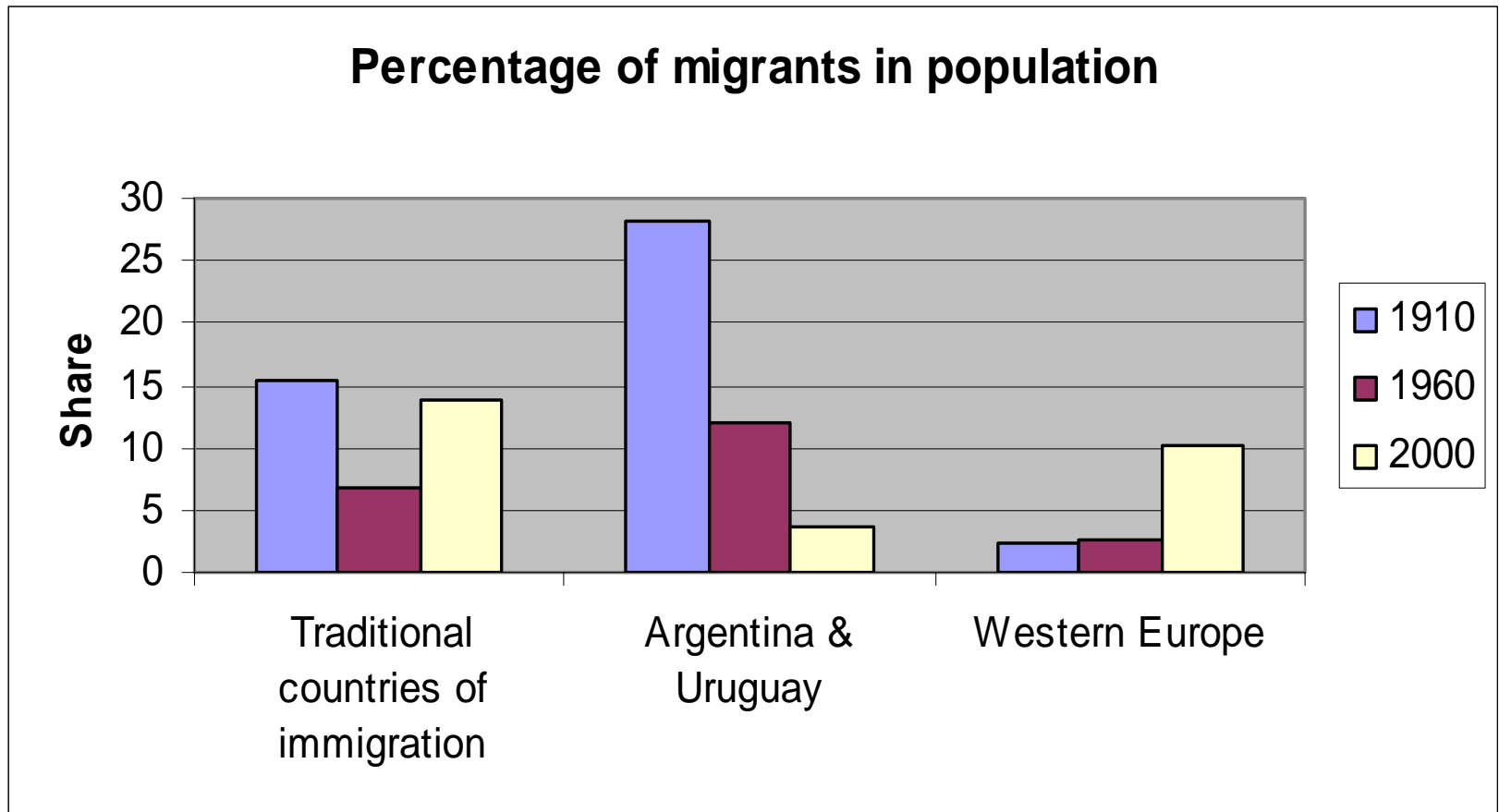
- Migration mainly from developing to developed countries
- Developing countries have more surplus labour than developed countries can absorb
- National immigration policies in place
- Negligible impact on population growth
- Little impact on income convergence
- Segmentation based on skills



Other features of current period

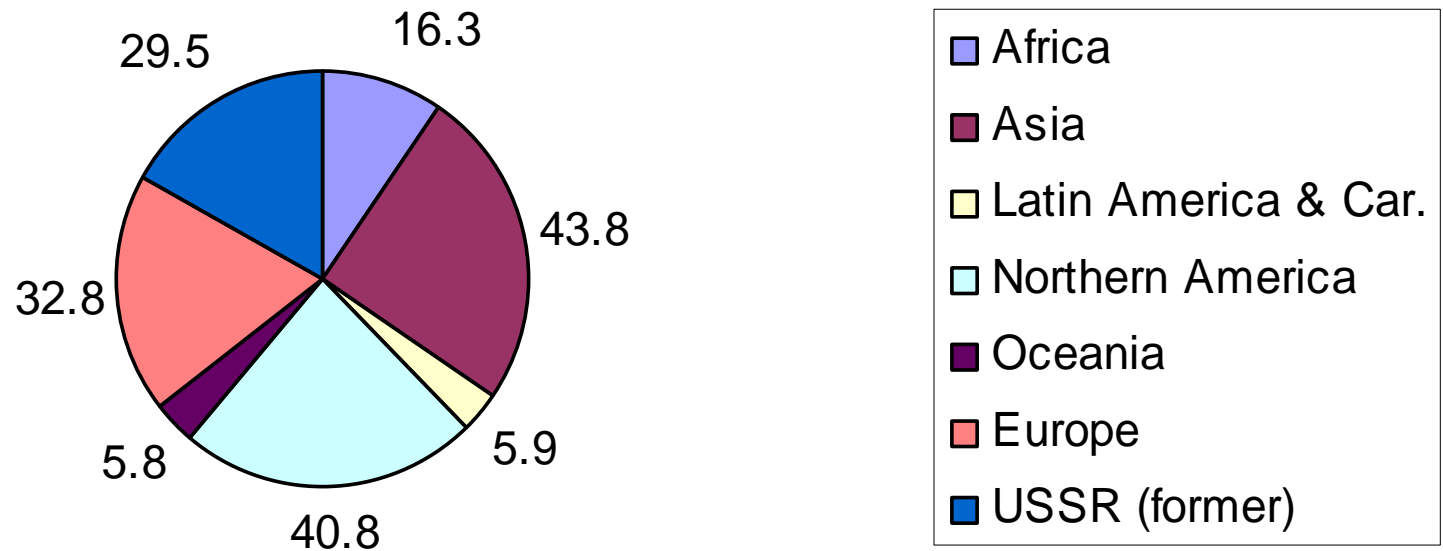
- The net direction of migration in individual countries has experienced important changes in the second half of the 20th century
 - Only 7 countries of stable net immigration
 - Only 16 countries of stable net emigration
 - For 86 countries net migration 'changed sign'
- New phenomenon of unauthorized migration, and
- Involuntary displacements

International migrants in the main countries and regions of destination

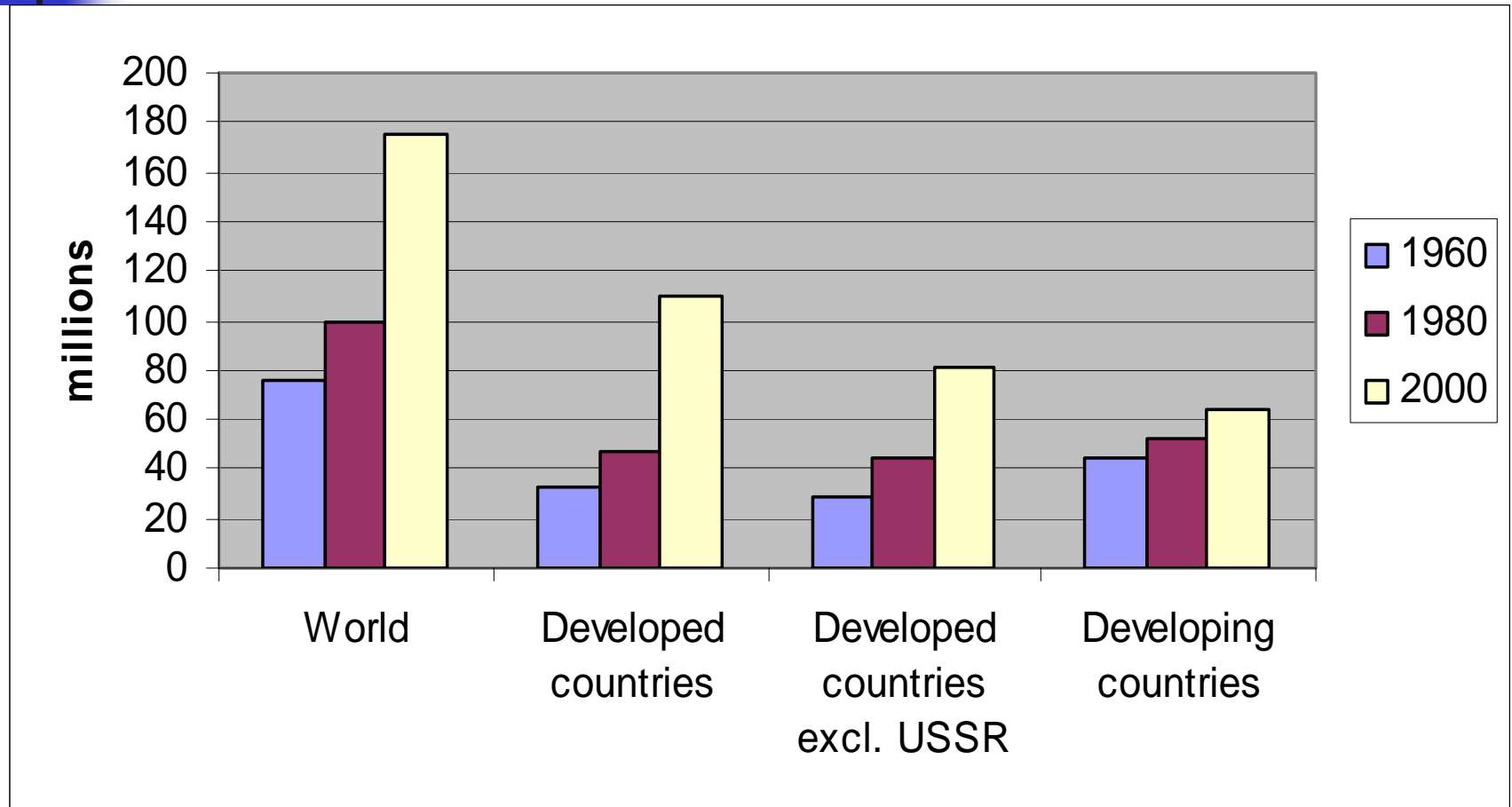


International migrants in the main countries and regions of destination

2000



International migrants by region of destination

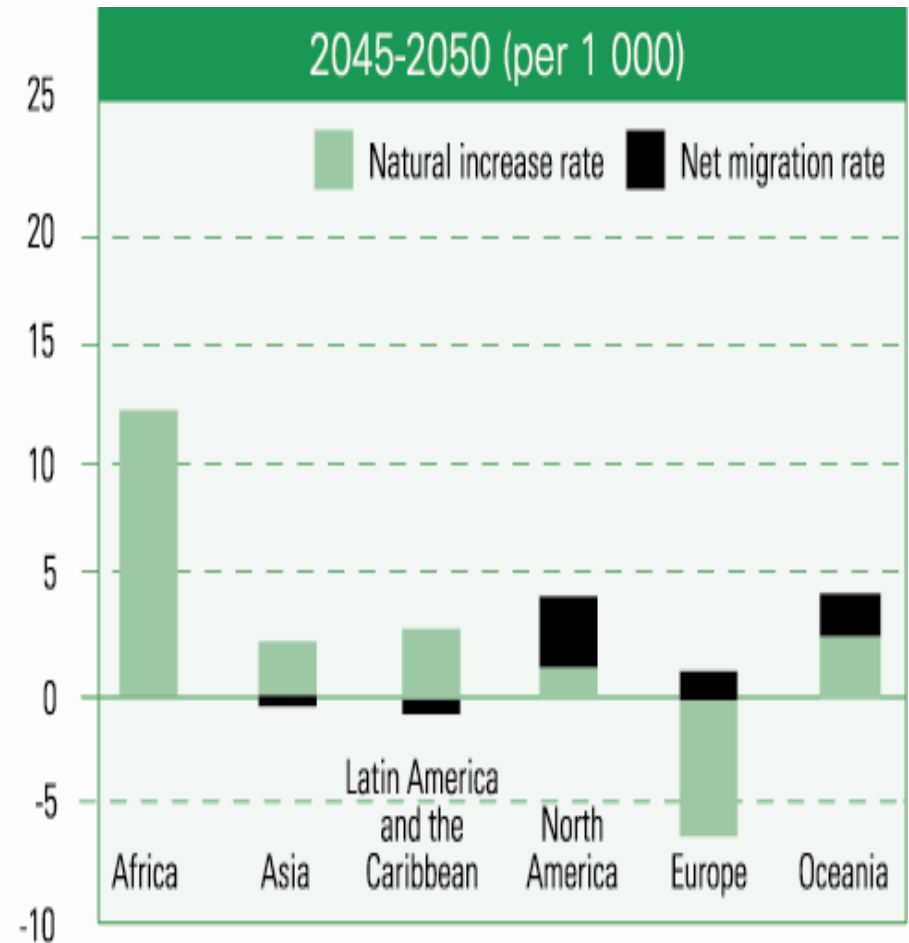
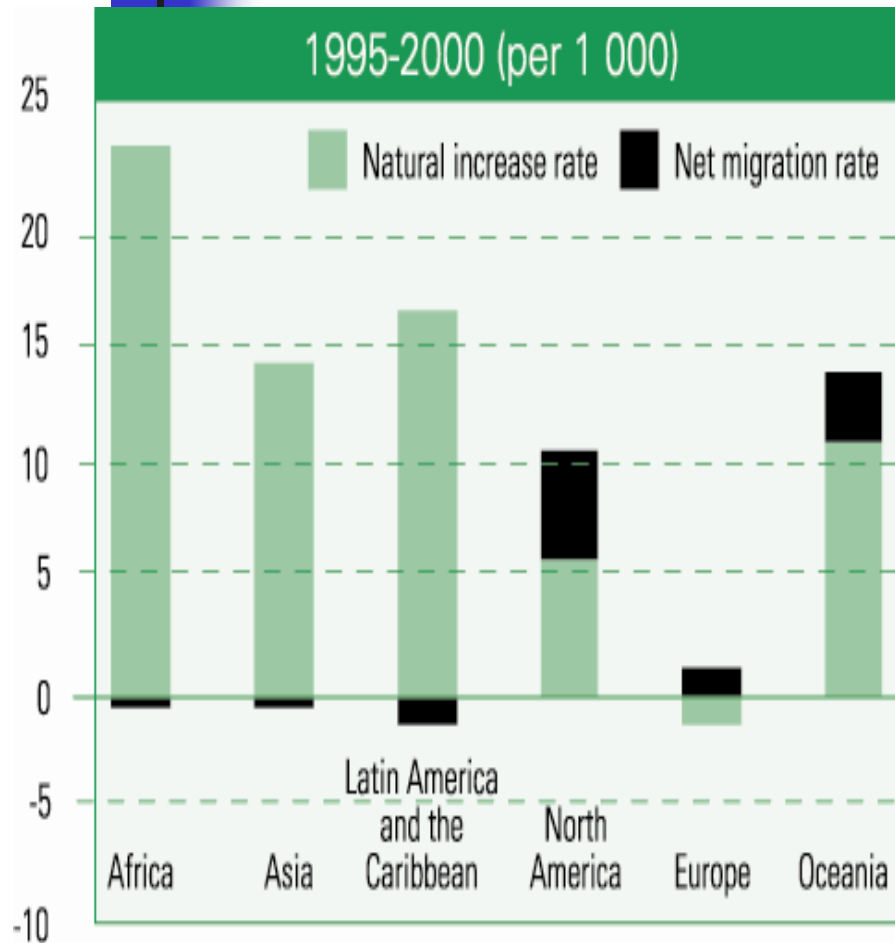




Demographic impact

- Developing countries:
 - Small impact on population growth in developing countries
- Developed countries:
 - Migration partially offsets natural population decline
 - Level of migration needed to maintain potential support ratio unlikely to be sustainable
 - Ageing population requires comprehensive strategy
 - Reassess retirement and retirement benefits
 - Increase labour force participation of working age population
 - Increase migration flows, particularly temporary

Contribution of net international migration to population change





Projections of net immigration for selected countries or regions, 2000-2050

Thousands				
	Scenario A	Scenario B	Scenario C	Scenario D
United States	1115	128	359	11851
European Union	680	949	1588	13480

Scenario A: Migration at levels of late 1990s.

Scenario B: Maintaining size of total population.

Scenario C: Maintaining size of total working population.

Scenario D: Maintaining potential support ratio.

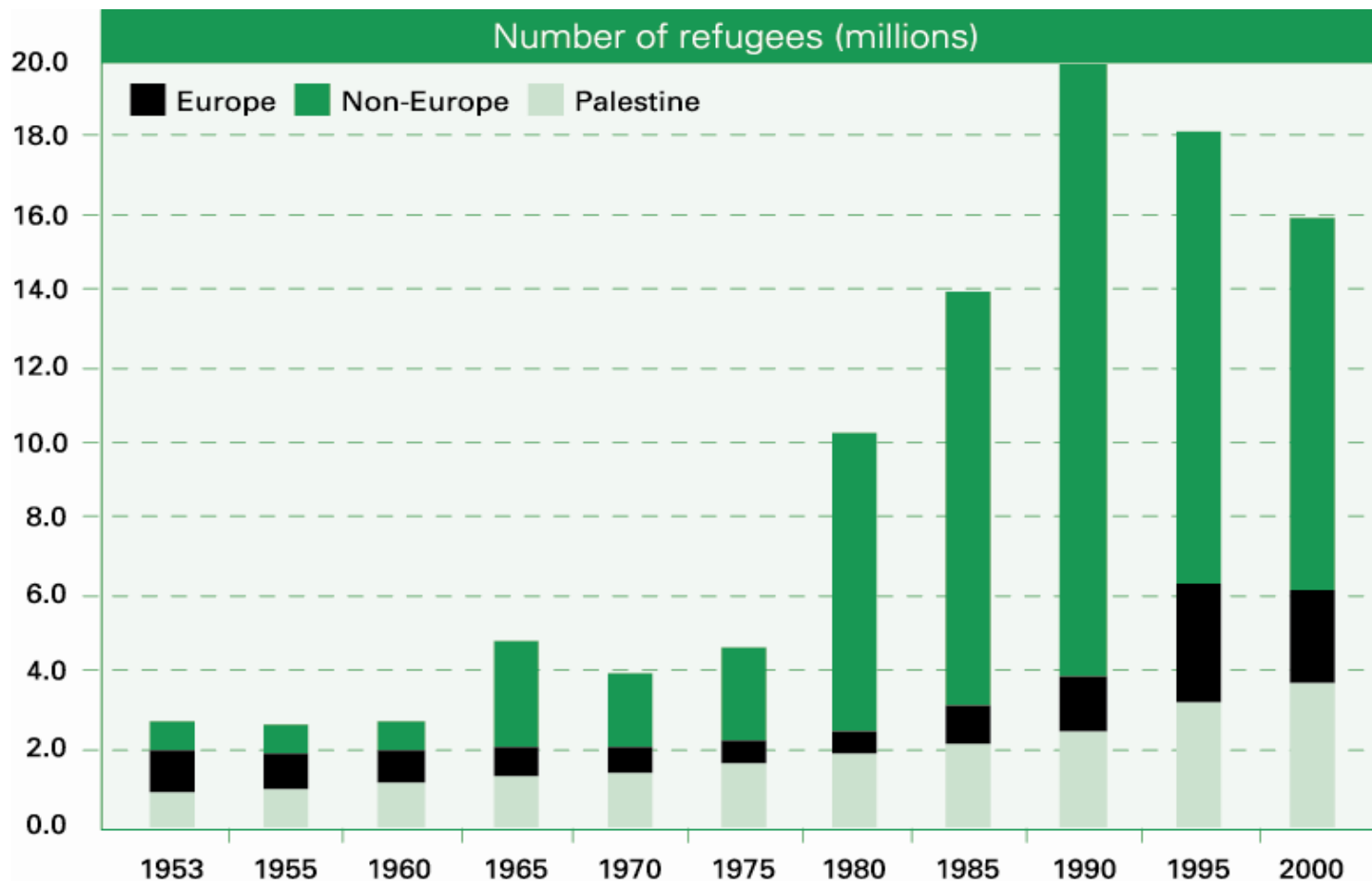


Unauthorized migration

- New phenomenon of massive unauthorized migration result of restrictive policies in receiving countries
- Estimates for USA: around 7 million unauthorized migrants in 2000 (v. 35 million foreign residents)
- Western Europe about 3.3 million in 2000 (v. 22 million foreign residents)
- US\$ 10 billion trafficking and smuggling business

Involuntary international displacements

- Number of refugees in developing countries stabilized during 1991-1995 and fell to some 8 million during 1996-2000
- In developed countries the refugee population doubled from 1.7 million in 1980s to about 3.4 million in 1990s





Economic effects of migration on countries of origin

Positive

- Opens employment opportunities not available in the home country
- May ease pressures on the domestic labour market
- Stimulus to invest in human capital
- Inflows of remittances
- Inflows of technology, skills, investment and venture capital from diasporas

Negative

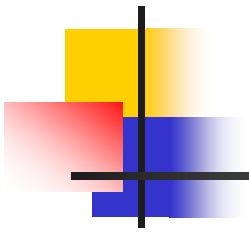
- Immediate impact of loss of skilled workers in key sectors
- Loss of fiscal revenue from higher income workers
- Reduced return on public investment in education
- Remittances diminish over time
- Long-term effect of loss of human capital on growth



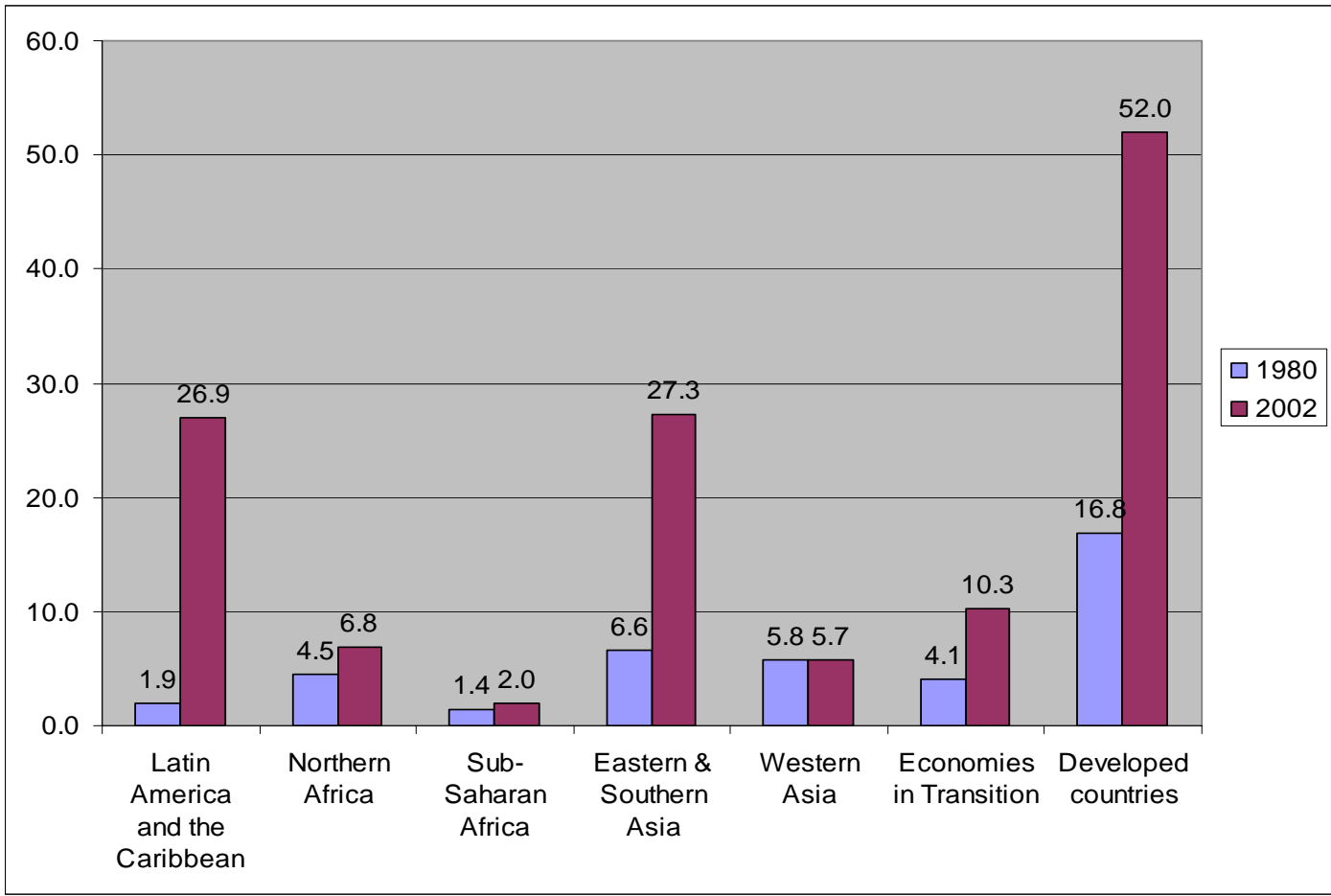
Impact of loss of skilled workers in key sectors

- Brain drain is a growing trend in global economy.
 - Stock of highly skilled migrants in USA increased from 1.7 million in 1990 to 4.2 million in 2000.
- Each migrating African professional represents a loss of \$184,000 to Africa.
- Potential income tax revenue loss to India of \$700 million, or 12% of the country's personal income tax revenue.

Inflow of remittances by region, 1980 and 2002 (billions of US dollars)

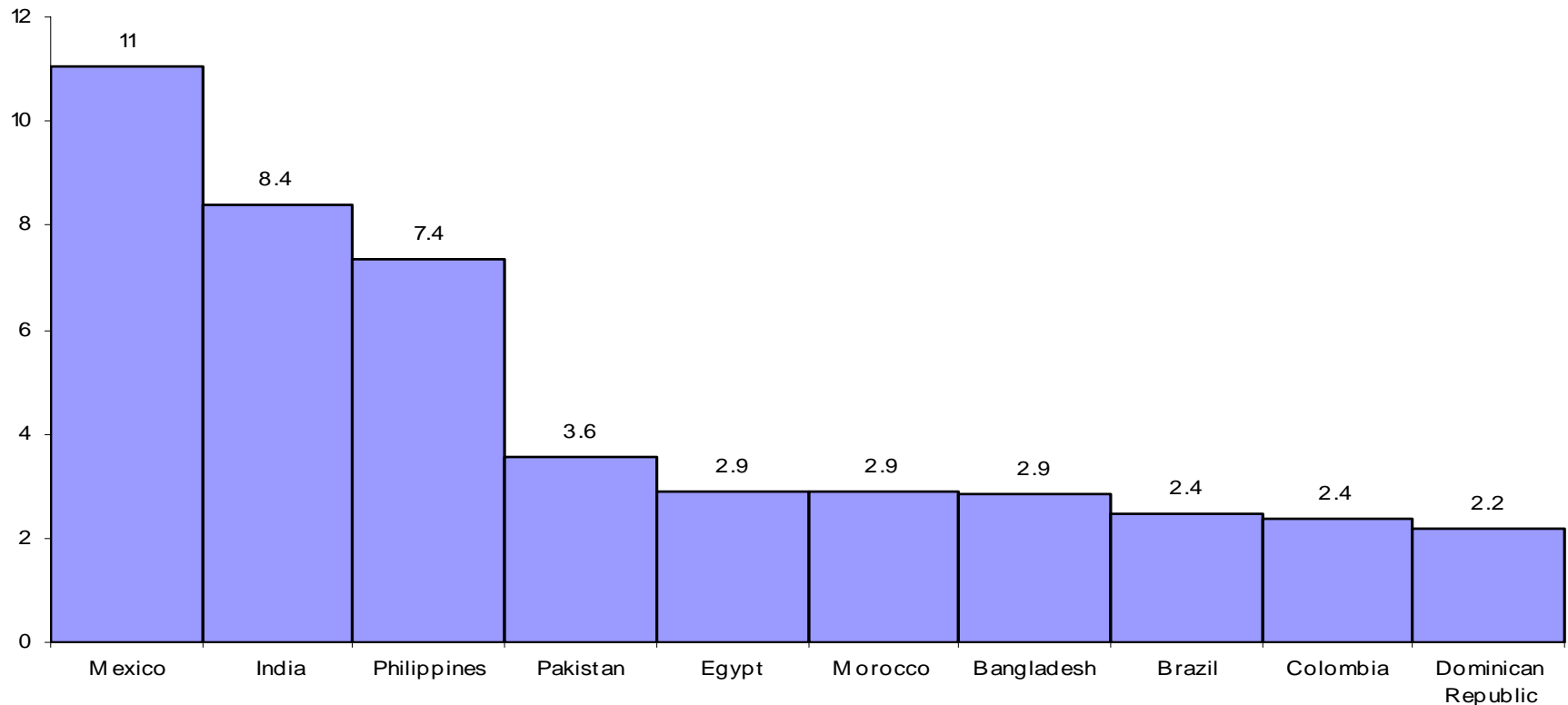


- \$79 billion to developing countries
- Second largest financial inflow
- EU largest source, followed by USA, Middle East
- More stable than most inflows
- Used for consumption
- Not a substitute for ODA.



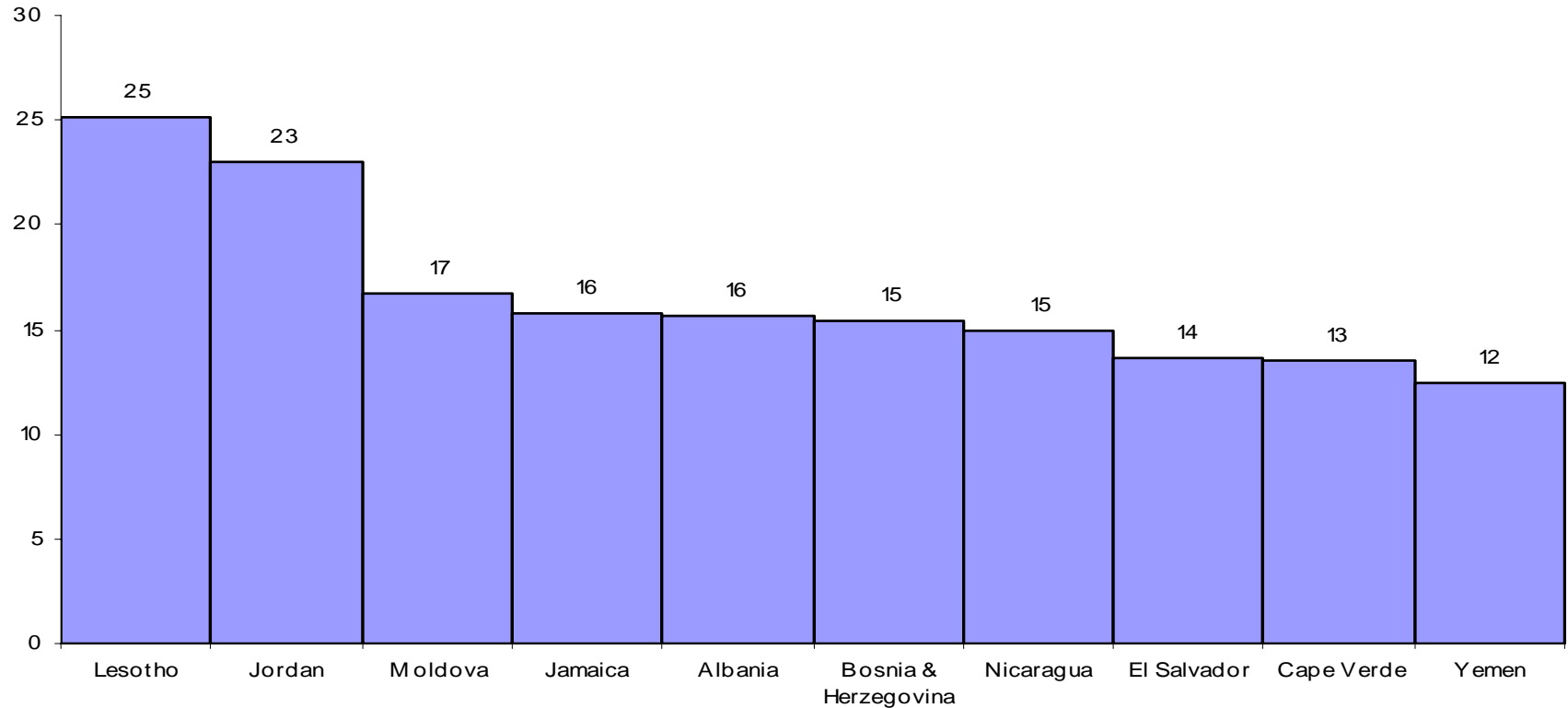
Many of the largest recipients have been large middle-income countries....

10 largest developing-country recipients of remittances , 2002 (Billions of US dollars)



.... but, as a proportion of GDP, remittances have been most significant for small low-income countries

10 developing countries with largest ratios of remittances to GDP, 2002 (percentage)





Economic effects of migration on destination countries

- Increase supply of labour
- But also contribute to economic growth, and thus the demand for labour
- Small impact on wages and employment
- Net contributors to fiscal balance



Modest impact on wages and employment in host countries

- 900,000 people returned from Algeria to France (1962)
 - Increasing labour force by 1.6%. One percentage point increase in labour force reduced the wage by at most 0.8% and raised the unemployment rate of natives by 0.2 percentage points
- 600,000 colonist returned to Portugal (1974)
 - No impact on labour market was found
- 125,000 Cubans entered Miami (1980)
 - Only Cubans were negatively affected, possibly because new migrants were earning less and were subject to higher unemployment, thus lowering the average figures for Cubans
- 600'000 highly educated migrants moved former USSR to Israel (1989-1995)
 - Increasing population by 13.6%, but no sizable impact on the labour market



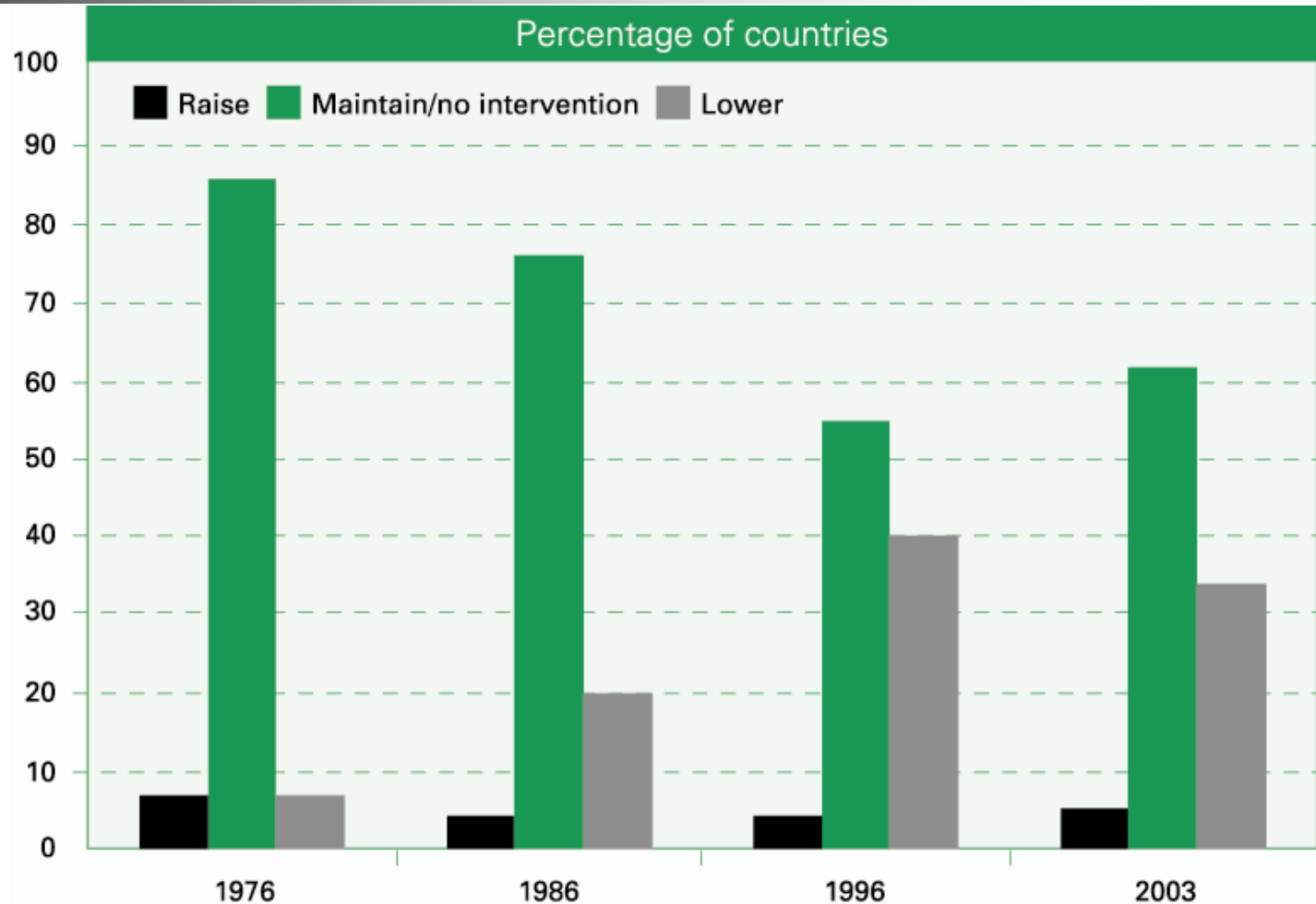
Social integration of migrants

- Migrants affect social fabric in host societies
- Migrants enrich destination communities, but are also a source of discomfort and division
- Harmful public perceptions, reinforced by media
- Two basic approaches: assimilation versus multiculturalism
- Networks of migrants are valuable source of support

Current policies in countries of destination

Immigration policies became increasingly restrictive since mid-1970's

- Selectivity with focus on number and composition of immigrants
 - Family reunification
 - Skills
- Focus on integration of immigrants





Agenda for countries of origin

- Eliminate smuggling and trafficking of migrants
- Support hometown associations, business and academic networks
- Facilitate return migration
- Allow dual citizenship
- Address consequences of brain drain
- Reduce transaction costs of remittances



Agenda for countries of destination

- Eliminate smuggling and trafficking of migrants
- Public campaigns to explain benefits of immigration
- Protection by national legislation
- Measures to facilitate integration
 - Allow transfer of retirement benefits across countries
 - Recognition of educational and professional qualifications
 - Education and labour training
 - Naturalization and voting rights
- Greater use of temporary immigration (seasonal workers, WTO-Mode IV)
- Fair processing of asylum claims



International policy initiatives

- Complement national migration policies
 - Increased bilateral arrangements, including on issues of temporary migration, control of irregular migration, border management, return migration, and management of remittances.
 - Regional dialogues: free movement of persons and workers among EU member states, Migration Dialogue for Southern Africa, Manila and Bali Processes in Asia, and Puebla and Lima Processes in Latin America.
 - Limited coverage of existing multilateral conventions.
- Need for a comprehensive institutional framework addressing full spectrum of international migration issues



Legal instruments relevant to international migration

INSTRUMENT	Year adopted	Number of countries ratified	of which: Countries with net immigration at the time of ratification (%)
MIGRANT WORKERS			
ILO Covention - Migration for employment	1949	42	28.6
ILO Convention - Migrations in abusive conditions and promotion of equality of opportunity and treatment of migrants	1975	18	44.4
International Convention on protection of the rights of all migrants	1990	26	7.7
SMUGGLING & TRAFFICKING			
Protocol on trafficking persons, especially children and women	2000	54	29.6
Protocol against smuggling of migrants	2000	48	29.2
REFUGEES			
1951 Convention relating to status of refugees	1951	142	27.5
1967 Protocol relating to the status of refugees	1967	141	33.3



Towards improved international cooperation on migration

- Well-managed migration can be mutually advantageous
- Integrate migration policy into development policy
- Improve conditions and opportunities for potential migrants
- Improve international reporting on migration flows
- Prepare national reports on international migration

- Improve multilateral cooperation
- Endorse existing international conventions and protocols

- Global Commission on International Migration
- UN GA High-level dialogue in 2006