

International migration expanding, but policies falling short

(NEW YORK, 29 November) An orderly, controlled migration of persons across borders benefits both sending and receiving countries on the whole, a UN report released today finds. However, migration's positive aspects intertwine with the difficulties it poses in a complex pattern.

This year's *UN Economic and Social Survey* sees an opportunity for well crafted policies that, for instance, can help countries with ageing populations to shore up retirement systems teetering on the brink of insolvency, or maximize the benefits of remittances sent home by migrants to developing countries. Remittances to developing countries now total at least \$79 billion and exceed levels of development assistance. In general, the authors say, international migration can serve as an agent for global interchanges of skill and knowledge as well as economic dynamism and efficiency.

Nevertheless, with the stock of migrants living outside their home country expanding to more than 175 million (*see accompanying press release*), the share of world governments with policies to lower immigration grew from only 7 per cent in 1976 to 34 per cent in 2003, the *Survey* reports.

The UN report is released as globalization, international security concerns and demographic trends are redirecting attention to migration. It also comes in advance of the 2005 report of the Global Commission on International Migration and a 2006 high-level dialogue on development and migration to take place in the UN General Assembly.

“Beyond existing conventions and protocols, the international community lacks a comprehensive international framework that addresses the wide range of issues pertaining to international migration,” the *Survey* says. “Migration is a global and transnational phenomenon involving various parties with differing perspectives and interests. It therefore calls for a global approach and global framework.”

On the frontier of globalization

Fears in receiving countries that incoming migrants will take away jobs or bring down wages are highly ingrained, and contribute to a restrictive political and policy outlook. But the *Survey* finds that studies of the economic impact of migration indicate no significant reduction in wage and employment rates among natives. On the other hand, incoming migrants expand the demand for goods and services, add to gross national production, and generally contribute more to government coffers than they take out.



The *Survey* – authored by the UN Department of Economic and Social Affairs and drawing on the expertise of agencies across the UN system – is also concerned with the “brain drain” effect of emigration on developing countries. The average emigrant departing from Latin America or Asia possesses more than twice the years of schooling than, on average, residents of their home countries. From Africa, the emigrants have triple the schooling of those staying at home. The price paid by countries of origin is most of all in lost innovation and creativity. They also forego to a certain extent the return on their investment in education, estimated at \$640 million a year for emigrants to the United States alone. In addition, workers abroad do not pay income taxes in their home countries – an estimated revenue loss to India, for example, of \$700 million in 2000.

But these emigration-related losses tend to be offset by positive effects. These include not only an inflow of remittances, but often also a relaxation in over-supply of labour in home countries and the knowledge and skills that return migrants bring with them. Overseas migrants are also known to be major investors in their home countries. Studies show that 70 per cent of foreign direct investment in China originates in the Chinese diaspora, and expatriate African technology workers are supporting high-tech start-ups in Sub-Saharan Africa, via a programme linked with the UN Information and Communications Technologies Task Force.

Policymakers in developed countries with ageing populations are looking at the ameliorative effect of increased immigrant flows to support pension programmes and other social and income benefits for the retired. UN experts caution, however, that while the introduction of temporary or permanent immigrant workers may be one factor in a solution, it cannot by itself eliminate the labour market effects of population ageing or ensure solvency of pension systems. *All in all, migration remains one of the last frontiers of globalization.*

“For the past 50 years, governments all over the world have undertaken various liberalization measures in the areas of goods, services and capital, multilaterally and unilaterally,” says UN Under-Secretary-General for Economic and Social Affairs Jose Antonio Ocampo. “The basic premise of such policies is to maximize economic efficiency at the national and global levels. Yet the current international movement of people is largely shaped by restrictive migration laws and policies.”

Table II.4.

Contribution of net international migration to population change, by major region, 1960-1965 and 1995-2000

Per thousand						
Major area	1960-1965			1995-2000		
	Rate of natural increase	Net migration rate	Population growth rate	Rate of natural increase	Net migration rate	Population growth rate
More developed regions	10.4	0.5	10.9	1.2	2.2	3.4
Less developed regions	23.7	-0.2	23.5	16.7	-0.6	16.1
Africa	25.6	-1.0	24.6	24.0	-0.5	23.5
Asia	22.0	0.0	22.0	14.5	-0.4	14.1
Latin America and the Caribbean	28.6	-1.1	27.5	16.8	-1.2	15.6
Northern America	13.2	1.4	14.6	6.1	4.6	10.7
Europe	9.4	0.2	9.6	-1.2	1.4	0.2
Oceania	15.9	5.2	21.1	11.1	3.0	14.1

Source: *World Population Prospects: The 2002 Revision, vol. I: Comprehensive Tables* (United Nations publication, Sales No. E.03.XIII.6).

Privileging capital over labour

Despite prevalent assumptions, migration inflows to developed countries are in fact currently less than prevailed in major receiving countries in the late 19th and early 20th centuries. And its growth since the 1960s has been much more gradual than that of international finance flows and trade. This asymmetry in the treatment of international flows of finance and trade in comparison with international flows of labour has favoured payments for capital over payments for labour, while the national emphasis on attracting skilled immigrants has benefited skilled over unskilled labour.

The perceived impact of migration may be magnified by concerns as to maintenance of national identities and cultures. Policymakers must wrestle with differing mixes of assimilationist and multicultural approaches, the *Survey* notes. In the 1970s, multiculturalism tended to replace the “melting pot” paradigm, but the last few years have seen a resurgence of efforts to integrate migrants into national cultures. This trend has become conflated and sometimes confused with post-September 11 efforts to take a harder look at potential immigrants in regard to security concerns.

Points of policy

Other points presented by the *Survey* for policymakers’ consideration:

- » Protection of the workplace and human rights of migrants is a paramount responsibility.
- » Safe, orderly and rule-governed migration should be established within a framework where States understand their obligations to protect the rights of migrants, and migrants recognize their rights and obligations.
- » Given the attraction of human capital of developing countries that migration generates, there is a strong argument for destination countries to support education and labour training programmes in countries of origin.
- » Non-portability of migrants’ acquired retirement benefits as well as educational and employment credentials need to be addressed. This lack is not only a specific social inequity, but is discouraging to migrants considering a return to their home country.
- » Transaction costs of overseas remittances should be reduced. Lower costs and more efficient operation of formal mechanisms can reduce the sway of informal networks sometimes associated with money laundering or terrorist finance.
- » Networks of migrants in host countries lend each other mutual support and maintain their culture. They also constitute a useful bridging mechanism with the host society.
- » Policies for the successful integration of migrants into host societies should be complemented by programmes that ensure education and appropriate job training.
- » Almost every new and numerous migrant group will elicit some degree of opposition or stigmatization. Governments should counteract discrimination by informing the public of the benefits and rationales of migration.
- » One option for managing gaps between supply and demand of skilled or unskilled labour in developed countries is through temporary inflows. The result is fewer problems with social integration in the host country and less of a brain drain on developing countries. A multilateral framework for this cooperation is already in place, in the form of Mode 4 of the General Agreement on Trade in Services of the World Trade Organization. The current global trade negotiations offer an opportunity to consider widening the scope of this agreement.

- » Bilateral and regional arrangements on international migration have proven to be useful in responding rapidly to changing migration trends and needs and improving cooperation, and their use can be expanded.
- » Countries of origin should enhance the benefits of outward migration by supporting business and academic networks that link emigrants with their home country; facilitating return migration; promoting exports of culturally valued products to overseas migrant communities; and allowing dual citizenship and participation of emigrants in their domestic political life.
- » Since international migration is not likely to decrease in volume or importance in the foreseeable future, Governments have an interest in continuing to seek new forms of international cooperation. Broad based ratification of existing conventions and protocols would be a major step in that direction.

The *UN Economic and Social Survey* is published annually by the UN Department of Economic and Social Affairs, which monitors, evaluates and analyzes relevant trends and, upon request of Member States, sets standards and goals. Part I of the *Survey* reports on economic and macroeconomic conditions of the past year and projections for the next. Part II covers a selected theme of international significance and timeliness.

The full text of the *Survey* is available on the web at www.un.org/esa/policy/wess/index.html.

For more information, contact the Development Section of the UN Department of Public Information, through Tim Wall, 1-212-963-5851, or Ellen McGuffie, 1-212-963-0499.

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Migration impact strongest in developed countries

(NEW YORK, 29 November) The number of people living outside the country of their birth continued to expand in the 1990s, reaching 175 million people in 2000, according to a United Nations study issued today. The trend is strongly toward the developed world, the UN reports. Migration to these countries increased by 3 per cent over the course of the 1990s, in contrast to no net immigration among the developing countries. As a result, although one of every 35 persons on earth is an international migrant, among the developed countries the ratio stands at about one in 12.

Migration's impact on the demographics of the developed world is heightened by its low or declining birth rates, the UN indicates in its World Economic and Social Survey. In fact, Europe would have experienced net population decline from 1995 to 2000 were it not for migration.

Looking to the future, the UN projects that without net immigration, the population of the more developed regions would fall from 1.2 billion in 2000 to 1.0 billion in 2050. But immigration will counteract this population decrease, the UN says, given the expected continuation of current migration trends.

Within the developing countries, in contrast, the natural population increase will be nearly 3 billion between 2000 and 2050. With emigration factored in, the increase will turn out to be 2.8 billion.

It is in the developed countries that population ageing is wreaking havoc with retirement systems. "Sustained positive levels of net international migration can play a role in offsetting natural reductions of the overall population or in the working-age population," the Survey says, but cautions that migration inflow by itself will not eliminate the effect of population ageing on the solvency of pension programmes, nor on support ratios (the proportion of the older to the working-age population).

Pendulum swing

The pendulum of net migration began to swing to the industrialized world in the second half of the twentieth century (see Table II.1).

In 1960, 44 million of the world's 76 million international migrants resided in the developing world, compared with only 32 million in the developed world, excluding the Soviet Union. These 76 million migrants constituted 2.1 per cent of developing countries' population, in the same range as the 3.4 per cent that migrants formed of the population of the



industrialized countries. But by 2000, the respective figures were 1.3 per cent in developing countries and 8.3 per cent in the developed.

Despite recent growth, rates of migration are lower today in major receiving countries than at the previous turn of the century. Immigration swelled the population of Argentina by 60 per cent between 1870 and 1910, the Survey says, and its labour force by 86 per cent. Canada's population rose by 32 per cent due to immigration and its labour force by 44 per cent in the same period. For the United States, with a larger base population, the proportional increase was a smaller but still substantial 17 per cent of population and 24 per cent of the labour force.

Today, the largest concentration of incoming immigration is in North America. The number of people migrating to the United States and Canada more than tripled from 1960 to 2000. By 2000, one of every five international migrants lived in the US.

Table II.1.

Indicators of the stock of international migrants, by major areas, 1960-2000

Major area	Number of international migrants (millions)					Average annual rate of growth of the number of international migrants (percentage)				International migrants as a share of the population (percentage)		Distribution of international migrants by region (percentage)	
	1960	1970	1980	1990	2000	1960-1970	1970-1980	1980-1990	1990-2000	1960	2000	1960	2000
World	75.9	81.5	99.8	154.0	174.9	0.7	2.0	4.3	1.3	2.5	2.9	100.0	100.0
Developed countries	32.1	38.3	47.7	89.7	110.3	1.8	2.2	6.3	2.1	3.4	8.7	42.3	63.1
Developed countries excluding USSR	29.1	35.2	44.5	59.3	80.8	1.9	2.3	2.9	3.0	4.0	8.3	38.4	46.2
Developing countries	43.8	43.2	52.1	64.3	64.6	-0.1	1.8	2.1	0.0	2.1	1.3	57.7	36.9
Africa	9.0	9.9	14.1	16.2	16.3	0.9	3.6	1.4	0.0	3.2	2.0	11.8	9.3
Asia ^a	29.3	28.1	32.3	41.8	43.8	-0.4	1.4	2.6	0.5	1.8	1.2	38.6	25.0
Latin America and the Caribbean	6.0	5.8	6.1	7.0	5.9	-0.5	0.7	1.3	-1.7	2.8	1.1	8.0	3.4
Northern America	12.5	13.0	18.1	27.6	40.8	0.4	3.3	4.2	3.9	6.1	12.9	16.5	23.3
Oceania	2.1	3.0	3.8	4.8	5.8	3.5	2.1	2.3	2.1	13.4	18.8	2.8	3.3
Europe ^b	14.0	18.7	22.2	26.3	32.8	2.9	1.7	1.7	2.2	3.3	6.4	18.5	18.7
USSR (former)	2.9	3.1	3.3	30.3	29.5	0.5	0.5	22.3	-0.3	1.4	10.2	3.9	16.8

Source: United Nations, *Trends in Total Migrant Stock: The 2003 Revision* (POP/DB/MIG/ Rev. 2003), data in digital form.

^a Excluding Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.

^b Excluding Belarus, Estonia, Latvia, Lithuania, the Republic of Moldova, the Russian Federation and Ukraine.

But at the same time, migration is making a noticeable impact in a growing number of countries. The number of nations where migrants exceed ten per cent of the total population grew from 43 in 1960 to 70 in 2000.

Women's participation in migration has remained remarkably steady over the years. In 1960, they constituted 46.7 per cent of the world's migrant stock. By 2000, they constituted 48.6 per cent, and rose to barely over 50 per cent of migrants in the developed countries and Commonwealth of Independent States (former Soviet Union).

Economic booms and political busts

In the developing countries, the absence of net migration flows masks sometimes sharp differences in rates of immigration and emigration among different countries. Also reflected is the often-temporary nature of spurts of migration related to economic booms in destination countries or political crises at home.

A few developing countries, such as Saudi Arabia, Qatar and the United Arab Emirates, are major beneficiaries of migrant labour. In the UAE in 2000, non-nationals composed more than 60 per cent of the population. Successful East and Southeast Asia countries have also become important destinations. A major factor in recent years, especially in Africa and Central America, is the return of refugees to home countries where conflicts have been settled.

The extent of unauthorized migration, by its nature, is difficult to capture statistically. Combined evidence of various sources suggests that out of 35 million foreign-born persons in the United States in 2000, at least 7 million were unauthorized migrants (more than half estimated to be from Mexico). The International Labour Office used the same ratio – one in five – to deduce that in Western Europe also in 2000 there likely were 3.3 million unauthorized migrants, among approximately 22 million foreign residents overall. But estimates for the proportion of undocumented aliens among authorized migrants vary widely between countries, or even for the same country.

Undocumented migration frequently occurs through smuggling and trafficking, an illegal business worth some \$10 billion a year. It is estimated that it may be the source for half of unauthorized migrants living abroad.

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Migration myths, opportunities and challenges reflected in European policy ambivalence

(BRUSSELS, 29 November) Immigration can and has offset many of the consequences of population ageing and labour shortages in Europe, but by itself is not the salvation of struggling pension programmes, the United Nations says in a global study released today.

Alongside appreciation of immigration's advantages lie anxieties that it brings down wage and employment rates (perceptions largely confounded by empirical data, the UN finds), and that it can dilute or fracture cultural identities and values. These conflicting impulses appear to be reflected in a growing duality among national immigration policies within Europe, says this year's *UN World Economic and Social Survey*.

In 1976, 83 per cent of European governments assessed immigration levels as satisfactory, while 17 per cent found them too high and none as too low, according to the *Survey*. By 2003, however, only 67 per cent maintained policies neutral to immigration volume, with 9 per cent encouraging higher flows and 23 per cent seeking restrictions.

"Migration affects the social fabric of both home and host societies," the *Survey* says. "The dynamics of social relationships among migrants, home and host societies are complex but the over-riding challenge for host countries is to integrate migrants into local society."

"Recently, however, there has been disenchantment with multicultural principles in some receiving countries, where there is increasing debate about ways of making migrants conform to national norms," the *Survey* continues. In addition to instilling knowledge of local language and civic culture in migrants, it suggests that there also is "great scope for increased action to promote respect of cultural, religious and ethnic diversity in most receiving countries".

Reducing the ratio of dependency

Europe's population would have shrunk by 4.4 million (-1.2 per cent) from 1995 to 2000, if not for the arrival of about 5 million migrants during that period, the UN reports. Germany's population would have been declining since 1970 if not for incoming migration, and in the late 1990s immigration contributed at least three-quarters of the population growth in Austria, Denmark, Greece, Italy, Luxembourg, Spain and Switzerland. The number of foreigners residing in Finland, Ireland, Italy, Portugal and Spain doubled in the 1990s.



But even with the average gain of 600,000 immigrants a year in Europe that is projected by the UN over the course of 2000 - 2050, European population is still likely to decline by 96 million in that period.

Moreover, population increase or decrease is not the main variable affecting a “support ratio” – the proportion between the largely non-working population, aged 0 - 14 and 65 or over, to those aged 15 - 64 years.

If current trends continue, as the UN expects they will, migration will reduce the support ratio in 2050 from 85 to 76 per 100 persons of working age in Germany, and from 72 to 65 persons of working age in the United Kingdom. Spain is projected to have one of the world’s highest support ratios in 2050: 93 persons per 100. But without migration, the ratio in Spain would stand at 100:100, i.e., each working-age adult in effect would be called upon to finance the childhood or retirement of one other person, even assuming full employment.

Table II.9

Foreigners residing in the main countries of destination in Europe, and percentage distribution, by country of citizenship of the major nationalities of origin, 1980-2001

Country of citizenship	1980	1985	1990	1996	2001
Number of citizens in Europe (thousands)					
Italy	1 833	1 595	1 557	1 504	1 474
Portugal	1 001	914	929	1 009	1 037
Spain	738	616	542	488	436
Greece	319	287	345	382	378
United Kingdom	..	328	364	420	449
United States	..	361	340	381	384
Former Yugoslavia	930	949	1 156	1 628	1 293
Poland	142	198	336	379	457
Turkey	1 845	1 879	2 333	2 696	2 606
Algeria	816	738	625	529	459
Morocco	640	785	1 030	1 082	1 116
Total number of foreigners, all countries	13 474	13 926	15 990	19 340	20 948
Percentage of total foreigners					
Italy	13.6	11.5	9.7	7.8	7.0
Portugal	7.4	6.6	5.8	5.2	4.9
Spain	5.5	4.4	3.4	2.5	2.1
Greece	2.4	2.1	2.2	2.0	1.8
United Kingdom	..	2.4	2.3	2.2	2.1
United States	..	2.6	2.1	2.0	1.8
Former Yugoslavia	6.9	6.8	7.2	8.4	6.2
Poland	1.1	1.4	2.1	2.0	2.2
Turkey	13.7	13.5	14.6	13.9	12.4
Algeria	6.1	5.3	3.9	2.7	2.2
Morocco	4.7	5.6	6.4	5.6	5.3
Total foreigners of major nationalities of origin as percentage of total foreigners	61.3	62.1	59.8	54.3	48.2

Sources:

SOPEMI (Continuous Reporting System on Migration), *Trends in International Migration: Annual Reports, 1993 and 2003 Editions* (Paris, OECD, 1994 and 2004), chart 1.2.

Note:

Two dots (..) signify that the data are unavailable.

In any event, incoming migration would have to expand at virtually impossible rates to offset declining support ratios, that is workers per retirees. The UN projects that France, for instance, will take in 3.75 million migrants from 2000 to 2050, but would have to bring in nearly 90 million over that time to maintain 1995 support ratios. For Germany, the difference is between 10.5 million over fifty years and 181.5 million.

Any net outflow of immigrants from newly acceded European Union members in eastern Europe to EU members in central and western European has the effect of complicating support ratios in the East, where fertility rates are even lower than in the West.

“These estimates indicate that sustained or rising migration flows can play a role in preventing reductions of the working-age population in developed countries,” says UN Under-Secretary-General for Economic and Social Affairs, Jose Antonio Ocampo. “Nevertheless, the challenge of ageing population will require a comprehensive strategy that should also include reassessing the age of retirement and retirement benefits and increasing the labour-force participation of the working-age population.”

A dynamic migration profile

No other region in the world has experienced such a rapidly shifting migration profile over the last hundred years, the *Survey* indicates.

From a voluminous exporter of people and labour to North and South America early in the twentieth century and before, western European countries turned into a magnet for incoming migrants in large numbers during its economic revival in the 1950s and 1960s. The most significant flows during this decade, however, were internal to the region, from then-poor southern European nations to northern Europe. Such transfers continue to this day. Italians account for 7.0 per cent of total foreigners residing in Europe; Portuguese 4.9 per cent; and citizens from former Yugoslavia 6.2 per cent. These proportions are in a comparable range with other leading countries of origin for migrant stock in Europe, such as Turkey (accounting for 12.4 per cent), Morocco (5.3 per cent) and Algeria (2.2 per cent) (see Table II.9).

In the late 1990s, the number of international migrants in Europe rose by 6.5 million. Figuring more prominently in these inflows were residents of former colonies in South America, the Caribbean, northern and sub-Saharan Africa and southern Asia. So did migrants from eastern Europe, as Cold War restrictions on emigration came down.

In the period from 1960 to 2000, the number of international migrants in Europe (excluding the former Soviet Union) rose from 14 million to 33 million. But during this period, the United States moved ahead of Europe in the total number of migrants, with 13 million in 1960 rising to 41 million in 2000.

In the twenty-first century, several European countries took steps to secure inflows of skilled workers, albeit on a temporary basis. Examples include the 2000 “Green Card” initiative for information technology specialists in Germany, the 2002 Highly Skilled Migrant Programme in the United Kingdom and a Czech pilot project for skilled migrants launched in December 2002.

Most governments, in Europe and elsewhere, historically have not regarded themselves as receiving countries. Non-citizens are generally discouraged from seeking permanent residence and eventual citizenship. But Germany, Ireland and Latvia have recently streamlined citizenship laws to facilitate naturalization, strengthening migrants’ sense of belonging and political participation, according to the UN.

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