INTERNATIONAL MIGRATION REGIMES AND ECONOMIC DEVELOPMENT *

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A. THE CONTEXT

International migration is attracting increasing attention, both among governments in the industrialized countries and within various international agencies. Trade continues to dominate the international agenda, though migration is also becoming a focus of interest for good reason. Recent simulations indicate that small increments to global migration could have far more profound effects in enhancing world production than would complete removal of all policy barriers to trade. Moreover, for many developing countries, remittances have become a critical form of financing their balance of payments, with reported remittances to the developing regions now exceeding Official Development Assistance and total remittances perhaps capping direct foreign investment flows.

Amidst this mounting interest, this study is concerned with the links between international migration and economic development in the lower income countries. This interplay is two-way: development affects migration and migration affects development. The effects of development on migration and of migration upon development are intimately linked and both influences are controversial.

The former link has attracted increasing attention in some of the OECD countries where inability to control migration has focused efforts on migration management, including the role of economic development at origin as a device for reducing migration pressures. However, it is the second element of interplay, the effects of migration upon development that is the main focus of the present study. In the process of migration, despite the high rents that are extracted by many middlemen, voluntary migrants presumably believe they will gain by moving. However, the economic consequences of departure upon those left at home is far more ambiguous and is the subject of this study. In particular, this is an investigation into the effects of international migration to the high income countries upon the economic development of the lower income countries from which many of the migrants originate. The focus is on labor migration, but not exclusively: the margins between migration for work and other forms of migration are blurred.

Although this study focuses upon the effect of migration upon economic development, the reverse effect cannot be neglected and the contentious nature of both influences is drawn out and reexamined. The prevailing lack of resolution may not be inappropriate: the links between migration and development differ from context to context, varying with the extent and nature of migration streams, the migrants' experiences, and the economic, political and social setting in the home country. Alternative migration regimes, with variegated patterns of skilled and unskilled workers, of temporary and permanent movers, of men and women, of solitary sojourners and families shifting domicile, should not be expected to have uniform consequences for development.

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1. *Four Case Study Areas*

To explore the diversity of experiences in the linkages between migration and development, four migration regimes were selected for specific attention within this study, each exhibiting distinct characteristics, though all represent major migration streams from lower to higher income countries. Together, these four regimes encompass a substantial portion of global migration from low to high income countries while representing a diversity of migration experiences:

> *Migration to the Europe Union*: A case in which coordination of migration policies among member countries, control of irregular migration, widespread use of short term migrant workers, and strategies toward refugees and asylum seekers come to the fore.
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> *Contract workers in the Persian Gulf from South and Southeast Asia*: A case dominated by migration on fixed period contracts, without family accompaniment, exhibiting a rising role for female labor migration.
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> *The brain drain to North America*: A case of selective legal migration in these countries of traditional settlement, resulting in a bimodal distribution of migrant skills; highly skilled migrants are admitted on a more permanent basis with family accompaniment, and unskilled workers enter both with and without legal documentation.
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> *Migration transition in East Asia*: A case of increasingly integrated labor markets as the higher income countries experience migration transitions, legal migration being almost exclusively short term though combined with widespread employment of trainees, students and irregular over-stayers, all being impacted by the East Asia financial crisis.

B. The Determinants of Migration

1. *A Snapshot of Migration at the Millennium*

Despite fears of massive migration from the countries in transition after 1990, the net migration rate into the EU, relative to population, has actually been about half of that into North America in the last decade. Indeed, migration to North America exhibits a fairly strong upward trend over recent decades, and migration from Asia to the Gulf was greater during the 1990s than in the previous decade, despite pessimism over the demise of this regime with declining oil prices in the 1980s. Within East Asia, migration has also increased in the last two decades, though there are considerable inter-country differences in these trends.

While North America (both Canada and the US) and the GCC states in the Persian Gulf have very large migrant stocks relative to their populations, the countries of East Asia and the EU (after deducting migrants from other EU member countries) possess much smaller migrant stocks relative to their populations.

Females already represented 47 percent of international migrants by 1960 and this proportion has increased only slightly since then. However, the participation of women differs very much across the four regimes. In North America and Europe women are about half of the migrant stocks, but their proportions vary considerably by country of origin. In the Gulf, male migrants are clearly the overwhelming majority, though women from Indonesia, the Philippines and Sri Lanka play important roles too.

The four regimes draw on different sets of source countries within the developing regions of the world, though there is some overlap and, in general, the sources of migration in all four contexts have tended to become more diversified recently.

2. *Migration Controls and Irregular Migration*

The legal requirements associated with migration, and their enforcement, not only constrain migrants' choices but also shape them. The probability of individuals applying for legal migration is affected by their likelihood of success. Where this likelihood is low, attempts at undocumented entry are encouraged instead, though the risks and costs imposed by such attempts also become high where strict controls are enforced.

In each context of migration to the high income countries, irregular migration is prevalent. The US attempts to promote skilled migration, though increasingly on a temporary basis, yet unskilled irregular migration runs on a par with documented temporary admissions. The oil rich countries of the Persian Gulf issue temporary visas to overseas contract workers, but there is active trading in these visas and abuse of the visa system, organized partially by recruiting agencies. Within East Asia, Japan and Korea both recognize the relatively large scale presence of overstaying, unskilled workers and training schemes are thinly disguised mechanisms for circumventing controls. Europe has passed through three phases of migration in the last three decades, from guest workers, to family reunification, to asylum seekers. The focus on temporary admission throughout, even for the recent programs intended to attract the highly skilled, has combined with low recognition rates among asylum seekers to encourage irregular migration. Controls do not prevent significant, irregular migration anywhere.

3. *The Decision to Migrate and Forced Migration*

The extent and patterns of migration are clearly not shaped by immigration controls alone. Migration pressures at source influence the outcomes too. The current conventional wisdom has, at best, prematurely dismissed the effects of economic development at origin, in affecting the desire to move.

Almost all of the available evidence supports the proposition that migration rises with the gap in earnings opportunities between home and abroad. This certainly does not mean that labor market conditions are the only factor affecting migration streams, nor even that employment opportunities are the most important elements. Rather, what matters is the simpler observation that such evidence as we possess indicates that tighter labor markets, with higher wages and more employment creation at origin, do diminish migration.

Does economic development in the source countries diminish migration pressures? This does not automatically follow from any assertion that differences in earnings opportunities contribute significantly to migration pressures. Tighter labor markets do not always accompany more rapid economic growth, though they are certainly positively correlated. Some have argued the opposite, that economic development among the poorer nations may actually exacerbate migration pressures. Yet, if there is a lower arm to a migration hump then any such hump seems to turn at very low incomes, and the evidence to support such a turning point seems tenuous in recent migration patterns. Where a migration regime permits movement of relatively unskilled workers, economic development at origin apparently does serve to diminish migration pressures. This is particularly, and possibly only, true when the development strategy chosen in the sending nations serves to tighten labor markets at home.

Thus, the evidence indicates that lack of economic development in the sending countries indeed contributes to migration pressures, yet this by no means denies a role for other key explanatory factors. Proximity to a high income country matters and migration streams, once underway, are fortified by social networks. Perhaps most importantly, despite the skepticism of critics, the evidence does indicate that asylum seekers and refugees are fleeing situations of real conflict; violence which is both influenced by economic development and in turn prejudices development prospects.

C. Labor Market Responses to Emigration

Virtually all of the evidence indicates that tighter labor markets at home discourage departure. Does departure of international migrants also result in tighter labor markets for people who are left behind?

Economic theory offers few unambiguous, hypothesized effects of emigration upon local labor markets. Emigration probably does reduce labor supply overall, and more specifically reduces the availability of the departing labor categories, even in the longer run. Whether this results in increased wages or diminished unemployment in the market for workers, similar to those who are leaving, depends upon institutional barriers to wage flexibility in that particular market, upon the prevalence of surplus labor of this type, the role of international trade in the relevant product markets, ability of others to acquire skills rapidly or relocate residence to take up vacated positions, and the passage of time. The cross market effects are even more ambiguous: little can be said *a priori* about the effects of skilled labor departure on wages or employment of the less skilled, or about the consequences of emigration from one region for trickle down gains elsewhere. Suffice to say that in the end the responses across the many differentiated domestic labor markets impacted by substantial emigration are almost impossible to characterize *a priori*. Evidence is clearly required.

Yet, despite the potential importance of the impact of emigration on the labor market experiences of those left behind, remarkably little systematic evidence has been amassed in prior studies. This lacuna is especially surprising in light of the vast empirical literature examining the converse case; the impact of immigration on host country labor markets. Given this void, drawing any general conclusions would require a good deal of speculation, but perhaps two categories of cases may be discerned from the review of country evidence in this study.

The first is the set of countries where departing workers are indeed easily replaced with no discernible loss in output or rise in wages at home. This may occur where emigration is very small in relation to the overall labor market, where those departing were previously unemployed, or where departing employed workers are easily replaced through migration or training without significant decline in worker quality. This may have been largely true of Bangladesh, India, Indonesia and Sri Lanka for example.

A second set of cases is situations where significant upward pressure on wages is discernible. To some extent Pakistan appears to fit into this setting, given the fairly clear connection between wages of skilled construction workers and emigration to the Gulf, a connection which has continued over the last three decades, and there are weaker indications that wages of unskilled construction workers and possibly of agricultural workers may also have been enhanced. Similarly, real wages in the Philippines appear to have responded remarkably closely to out migration. This is notably true in Philippine manufacturing, though any trickle down effect on agricultural wages appears weak in this context, in part because less recruiting takes place from lower income agricultural areas than in Pakistan.

No matter whether emigration thus results in tighter labor markets by replacing emigrants with underemployed or unemployed people without significant wage increments as in the first set of countries, or whether wages are drawn up through emigration as in the second set, both types of examples appear to indicate labor market gains for those who remain at home. The experience of Albania even suggests the possibility that emigration may serve a positive role in job creation, in that case by easing the transition to private sector employment.

Yet there is a less positive possibility, namely when emigration of skilled personnel restricts labor demand and hence employment opportunities of less skilled counterparts who remain at home. Within the set of countries examined in this study, no clear evidence of such cases emerges, yet the general possibility cannot be denied.

D. EMIGRATION OF THE HIGHLY SKILLED

The international mobility of highly skilled people takes a wide variety of forms: applicants for permanent residence are granted points or preference on the basis of education or occupation; temporary work visas are issued to those with unusual skills; to date, Mode 4 trade provisions have been restricted to professional services; transfers of intra-company employees have expanded in parallel with direct foreign investments; more and more students are attending colleges abroad.

In these processes, the EU, the GCC states and the wealthier economies of East Asia have not attracted huge numbers of highly qualified people; Canada and the US have attracted far more, especially from the developing regions, a reflection of both opportunities within and the admission strategies of Canada and the US. In contrast, at least until the very recent attempts to attract more highly skilled manpower, the tradition in Europe has been one of importing fairly unskilled workers. Even the collapse of the former Soviet Bloc has apparently not really resulted in massive migration of professionals from Eastern Europe to the EU. Despite prior overstaffing and severe budget cuts, migration of the highly skilled from East Europe has hardly amounted to an exodus, though the rate of emigration of scientific personnel has apparently been greater from the countries of the Former Soviet Union.

Emigration of highly educated people to the US has been an important feature for a fairly wide range of countries and, relative to their stock of college educated graduates, this has been more pronounced for some of the lower income countries. Yet numbers alone may not fully reflect the potential importance of the brain drain. If it is the brightest, from among the college educated, who manage to migrate, the relative significance of their withdrawal may well be larger than the already large proportions in the population.

Whatever the mode of movement, it is commonly presumed that the departure of highly skilled people, who do not return, imposes a cost on those remaining at home; the specter of a brain drain, particularly from the lower income countries, evokes widespread criticism. Three elements of cost are commonly mentioned:

> *Productivity losses*: There is substantial evidence of a correlation between the average years of schooling achieved and the rate of economic growth across countries. Yet whether educational expansion causes growth or whether expanding incomes permit educational expansion remains contentious.
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> *Basic needs and key professions:* If the concept of development is broadened beyond mere economic growth, then the presence of a highly educated populace, and of key professional personnel in particular, may take on added significance. In the provision of basic needs, access to health care workers matters; for quality education of the next generations, effective teachers are required; political stability and human rights may be furthered by an enlightened elite.
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> *Fiscal losses:* Two components arise. The first is the loss of any net contribution that the educated emigrant would have made to the fiscal balance, had they remained at home. Evidence in the case of India is mixed as to whether the high-tech emigrants, who have recently emigrated to the US, would have been net contributors to taxes in India after deducting public spending that would have been incurred on the migrants and their families. The second element of fiscal cost

stems from the universal subsidization of education, and hence the view that emigration also exports the returns on this public investment. Yet, at the time of emigration, these are sunk costs.

Despite these potential costs, not all movements of highly skilled migrants, from low to high income countries, necessarily represent a ‘brain drain’ in the sense of imposing a net loss. In the end there is a dearth of evidence establishing clear costs. Yet one should not infer from the lack of systematic evidence that costs are never incurred. No doubt the truth is mixed. It is dubious that the departure of information technology experts from India since 1990 has imposed very real losses on the average Indian at home; the same be said of most professionals leaving the Philippines; the loss of medical personnel from South Africa may be quite another story. In the balance, the number of governments that seem actively concerned with the process of brain drain is less than one might think. Indeed, a number of governments have become sufficiently concerned with the lack of opportunities at home for their college graduates, and the political threat that this poses, that they are quietly encouraging and aiding emigration: a situation sometimes dubbed a ‘brain overflow’.

There are also other ameliorating factors. Highly skilled migrants remit, though the evidence on whether they remit more than less skilled counterparts is mixed; the highly skilled earn more but they also settle more permanently and are permitted to bring their families with them, severing ties with home. Some have argued that an educated overseas diaspora confer other forms of benefits on those at home through transnational networking, though the evidence in this regard suggests a limited scope particularly for the lower income countries. Recently, there has also been some attention to the possibility that emigration of highly educated persons may induce additional education amongst stayers. In such contexts as the Philippines the high departure rate of college educated adults has almost certainly motivated additional college attendance within the Philippines and even influenced the choice of discipline for study. Yet it is doubtful that this has left more college graduates remaining at home. More generally, an examination of global evidence reveals little support for an expansion in the tertiary educated labor force at home as a result of high-skilled emigration.

Study abroad is not only a form of migration of the highly skilled in its own right but presents important opportunities to turn an overseas education into more permanent forms of migration: opportunities both for the student and the host country. Among the developing countries, a negative association is demonstrated in this study between the rate at which students stay abroad after graduating overseas and the income level of the home country. For the lowest income countries this presents a dilemma: exposing students to high quality study abroad can be important for local development, if they return, but in most cases relatively few return.

More generally the OECD countries appear to be heightening the competition to attract the most able, not only in North America but more recently in Europe and, at least by statement of intent, in East Asia. It seems unlikely that the industrialized countries will show much restraint in their efforts to recruit the highly skilled; the world is exhibiting skill-biased technical progress and the demands on the highly skilled are steadily increasing. The notion of refunding the country of origin, at least for educational costs incurred, has resurfaced recently, with proposals to compensate for state recruitment of healthcare workers from the developing countries. Yet prospects of achieving agreement with the receiving countries on compensation appear dim. Any limits to the flow of highly skilled people from the low to the high income countries must realistically come from the developing countries themselves, though hopefully not in the form of emigration restrictions that can readily violate the basic human right of exit (and may well prove ineffective as indicated by earlier attempts to restrict study abroad among Indian medical students).

Encouraging return of the highly skilled is an option. A number of countries (and some international agencies) have introduced programs to encourage return of overseas professionals. Yet such strategies can be very costly, in terms of sufficiently attractive salaries, fixed costs of establishing research centers, resentment of these privileges by those who stayed at home and hence increased incentives to depart.

Moreover, the skills and experiences acquired abroad often prove of limited value in the lower technology settings of the developing countries.

A last option is to reconsider the financing of higher education in the lower income countries. The social costs of tertiary education are extraordinarily high, especially relative to incomes in the poorer countries and the social rates of return on this higher education are lower than on additional funding to more basic education. Moreover, the major beneficiaries of college education are frequently the sons and daughters of the wealthy elite. The outcome of these heavily subsidized educations, at least in some contexts, is a brain overflow and emigration after graduation.

E. REMITTANCES

Among those developing and transition economies where labor market slack is a chronic problem, exporting labor in return for remittances poses an attractive component of a development strategy.
The global system of remittances comprises both formal and informal transfers. Systematic data exist only on the formal flows; far less is known about the flows of remittances through informal channels

Several countries from our case study areas, including India, the Philippines, Turkey, Russia and Morocco are amongst the highest recipients of formal remittances, given their net migration rates, while Thailand, Bangladesh, Sri Lanka and Tunisia are also within the top twenty countries. On the other hand, Pakistan, Indonesia, Bulgaria and Romania record only small remittances despite high net out migration levels.

Some of these differences represent the relatively greater importance of informal remittances in specific countries, such as Pakistan, or the inadequacy of recording mechanisms, as in Indonesia. Yet differences in the composition of migration and the policy stimuli to remittances matter too.

Temporary migration to the Gulf has generated massive remittances over an extended period. The expansion of temporary labor migration within East Asia has also spawned large, though predominantly unrecorded remittances. For Turkey and the Maghreb countries, a mix of recorded and unofficial remittances provide a critical resource, and some of the countries of Eastern Europe have become utterly dependent for day to day living on remittances from undocumented migrants. Very few refugees in camps command the resources to remit at all, yet global evidence suggests no lower rates of remittance to countries generating large numbers of recognized refugees. The wider diaspora appears to be an important part of this story, with resettled refugees and asylum seekers in the higher income countries remitting home, possibly though the near diaspora in camps in third countries.

Recognition of the importance of remittances as a source of external finance has evolved rapidly among the developing countries of the Western Hemisphere where, by 2000, gross reported remittances exceeded 40 percent of the current account balance and a quarter of the inflow of direct investments. Of all countries in the world, the US is the largest single source of reported remittances, but relative to the stock of migrants the EU sends more and the GCC states far more. Moreover, Mexico’s reported remittance inflows amount to almost a third of the US reported outflows and most of the evidence points to a relatively low rate of remittance compared to the very high earnings of the highly skilled from the rest of the developing world residing in North America. The upshot of these regimes is that, on average, the lower income developing countries receive a higher portion of their incomes from remittances than do the middle income countries, although remittances received per capita are lower among the poorer countries.

Within countries, the evidence on whether the impact effect of remittances tends to equalize the income distribution is mixed, though accounting for multiplier effects of remittance spending, both within and across villages, seems to tip the balance toward a more equalizing effect. Similarly, although remittances seem to be a significant source of investments in some countries this is not the case in others. One suspects that much of this difference in inducement to invest reflects the overall attractiveness of investing in any given economy, but this remains to be tested. Whether remittances accelerate economic growth, through investments or otherwise, remains a matter of dispute and the evidence is again mixed. However, remittances clearly do raise income levels for many, and not necessarily only the recipients of remittances once multiplier effects of spending and the associated stimulus to labor markets are accounted for. In consequence, there is widespread recognition of the role of remittances in alleviating poverty.

Policy efforts to stimulate remittances are common though not always effective. Little evidence emerges to support the notion that higher interest rates, offered to those who remit, encourage larger flows. There is some evidence to suggest that depreciation of the market exchange rate can encourage greater recorded transfers, though this is hardly grounds for an exchange rate policy. Narrowing the premium on the black market for foreign exchange also appears to enhance reported remittances, though whether total remittances are enhanced is far more dubious. The developing countries are coming under increasing pressure to shrink and to regulate the informal transfer system, though such efforts may prove a mixed blessing for the developing countries and their poorer populations.

Global remittances, both formal and perhaps informal, have grown rapidly in recent years and remittances have proved a stable source of finance, certainly in relation to private capital flows but also in relation to official development assistance. Despite attempts to localize jobs and to expel irregular migrants in the GCC states, and despite two Gulf wars, remittances from the Middle East have continued to expand. In Southeast Asia, there is some evidence to indicate that informal remittances may actually have increased during the East Asia crisis. Yet, in other contexts concerns for the continuation of current remittances are real. To the extent that skill bias in the immigration policies of the industrialized countries continues, remittances could be harmed, perhaps particularly so if the industrialized countries compete with each other by offering more permanent settlement and family accompaniment to the highly skilled. Meanwhile, the inability of irregular migrants to move back and forth, in Europe and elsewhere, is forcing greater permanence and ultimately may result in declining remittances.

F. Diaspora

Transnational networks play a two-way role in international migration. On the one hand, family, friends or other contacts overseas ease the process of relocating, serving to sustain and amplify specific migration streams once initiated. On the other hand, as transnational networks become established they may also play a role in shaping developments in the home country. The evidence does indeed suggest that countries can benefit from their diasporas in various ways. However, the routes through which the major benefits are channeled, and even whether any obvious benefits are actually observed, varies very much from context to context. The Indian software industry benefitted from a well placed diaspora in the US reducing reputation barriers to trade. China has benefitted from ethnic Chinese entrepreneurs overseas who invested on a large scale in the home regions within China, creating large numbers of jobs and expanding export performance. Taiwan has benefitted from migration and reverse migration to Silicon Valley, leading to knowledge networks that have advanced the high-tech industries in Taiwan.

To a large extent, it seems the differences in these mechanisms reflect differences in the home country economies far more than they reflect differences in migration regimes. The expansion of India’s software industry grew largely out of domestic initiatives and was founded on an abundance of highly trained and under-employed engineers, in a context where trade in general had been overtly discouraged and hence reputation barriers to trade were endemic. Non-Resident Indians have not invested in India on the same scale as have the overseas Chinese in China, because India has not welcomed foreign investment in general and China offers more rewarding financial prospects. Both India and China have probably enjoyed only small technology gains from their diasporas, in part because of the lack of pre-existing technological capital and in part because of their technology gap in relation to the OECD regions. It is the higher income countries, such as Taiwan, Korea, Ireland and Israel, that have been able to take most advantage of technology transfers from their diasporas, again reflecting the state of the home country economy rather than the skill base or location of the diaspora. Meanwhile, most of the low income countries are left out of this virtuous cycle; although the relative rate of brain drain (at least to the US) tends to be higher among the poorer countries, few of these countries are well positioned to experience any of the beneficial forces of brain gain. The Philippines has one of the highest rates of emigration and of brain drain in the world; the resultant diaspora did contribute to the overthrow of the Marcos regime but there has been no subsequent improvement in economic performance and no signs of any brain gain effects.

The extent to which migrants enhance trade flows, foreign investments by others or themselves, and transfers of technology, may be susceptible to policy interventions. Yet the efficacy of such interventions remains poorly understood. A number of countries do offer incentives to overseas nationals to invest in the home country. China offers substantial tax breaks and infrastructure support to foreign investors in general and investment has been massive, yet the link between these incentives and realized investments remains unclear. Non-Resident Indians are permitted to invest, subject to approval, in a wider range of real estate options than are other foreign investors, allowed greater equity participation in civil airlines, and to acquire a greater range of immovable properties. However, major irritants to Non-Resident Indian Investors are reported to remain. In the Philippines, efforts to involve the diaspora in investments go unmonitored and are apparently ineffective.

Fostering contacts with the overseas diaspora, and especially the intelligentsia, may facilitate the emergence of more active knowledge networking. Actively encouraging and supporting the formation of transnational associations involving researchers at home and abroad may complement such efforts. Yet how effective government efforts prove in this vein remains uncertain. First, some of the more active formal networks appear to have emerged from private initiatives and not from government sponsored efforts. Second, it is far from clear how effective these networks ultimately prove as vehicles for realized improvements in productivity at home.

There are indications that migration of highly skilled people may prove important in overcoming prevailing barriers to trade in a world where reliable information is scarce. Yet, to the extent that positive feedback effects through trade, investment and technology transfer are observed, it tends to be through networking with the highly skilled, not through the unskilled. Yet the highly skilled migrate in large numbers only to North America. Nonetheless, for some countries the diaspora indeed plays a major role. For some of the poorest countries this appears to be far less true. Indeed, it is in some of the poorer countries that parts of their diaspora are more actively involved in promoting or supporting instability and violence at home.

G. Return Migration

Although reliable historical perspectives are not available, it seems that circular migration has increased globally. Not only have various forms of guest worker programs expanded, but rotation of highly skilled persons is occurring more frequently too, both on short term bases and after a period of settlement.

The vast majority of guest workers return home, though the duration of stay can be substantial in the interim. The lengths of stay depend in part upon the fixed costs of reentry and the odds of being able to return abroad again. Intensive repeat migration is prevalent in the border areas of Mexico and among seasonal workers in the EU; Albanians who return voluntarily have been away only a year on average; but stays in the Gulf average some four to five years; and tightening of controls on irregular migration in Malaysia is reported to have led to more permanent settlement from Indonesia.

Returning guest workers typically have high saving rates while away, enabling early retirement or extended job search on return. The early experiences of returning guest workers from the Gulf and from Germany consequently indicated high non-employment rates, though some of these summary measures may have reflected relatively short intervals since returning and the dynamics of the reentry process. A number of countries have, nonetheless, created various facilities intended to aid reintegration into home country employment; there are some indications that these packages have proved utterly ineffective, though little or no formal evaluation of these mechanisms has taken place.

The notion that migrants gain skills and experience, which can enhance their earnings on return, receives mixed reviews. The experiences of the very large numbers of overseas Filipinos appear unlikely to prove helpful on return. In Vietnam, rigid pay structures thwart any advantages for the burgeoning trickle of returnees. On the other hand, estimates indicate that Albanians who have been abroad earn more than those who never went, despite the fact the stayers would apparently have earned even more abroad than those who actually left. Lack of entrepreneurial experience and access to credit are commonly cited as constraints faced by returnees attempting to make a transition into non-farm self-employment, though evidence on the failure rate of these enterprises is far from complete.

Among migrants admitted legally on a longer term basis to the OECD countries, fairly high departure rates are reasonably well documented. However, departures are far more prevalent among migrants from the other OECD countries; return to the lower income countries, having gained entry as an immigrant in a high income country, is rarer. Moreover there are some indications that on average those who return have been among the less successful overseas. A number of programs have been established with the intent of encouraging return of the highly skilled, including students abroad. Again, however, no serious evaluation of the efficacy of these efforts appears to have been undertaken despite their high costs in terms of resources, resentment created, and inducement to go overseas to take advantage of the incentives.

The return of migrants is certainly perceived positively by most sending and host countries, though too rapid return also has disadvantages to both. For the migrant supplying nations, shorter sojourns abroad probably limit some of the social costs of absent parents and spouses, though high turnover raises the incidence of the many fixed costs associated with going. The intent to return sustains connections, expanding remittance transfers and possibly other forms of gain transmitted from a more involved diaspora; too rapid return limits the resources accumulated by the migrant and hence diminishes these transfers. In the host countries, rapid turnover imposes higher costs on employers (except in seasonal or short term work), and prevents social assimilation. On the other hand, very short term residents are often net fiscal contributors to their hosts' coffers, which is of growing interest given the aging and associated social security problems faced in many of the industrialized nations. In addition, more rapid turnover may enhance the ability to adjust the stock of foreign workers in the event of a downturn, though the evidence on this is mixed. For example, during the East Asia crisis efforts to reduce the presence of foreign workers seems to have focused on expulsion of irregular employees rather than return of contract workers; recruitment within the region from Indonesia, the Philippines and Thailand hardly paused (though recruitment from Bangladesh did). In contrast, the Persian Gulf states have proved capable of fairly rapid expulsion of large numbers of workers in the face of crises, such as the Gulf conflict of 1991 when the involuntary return of large numbers of workers imposed severe adjustment problems on some of the migrant source areas.

Net migration to Germany followed the German business cycle both during the early guest worker program and thereafter until 1990, enabling Germany to shift some of the consequences of these cycles offshore. Yet, despite high turnover throughout, the early guest worker system in Europe clearly resulted in more permanent settlement than most European countries anticipated and wanted. Subsequent efforts to reduce the stocks of foreign nationals, by offering financial incentives to return, proved ineffective: the incentives were simply too small. The more recent revival of labor contracting and use of seasonal labor in Europe appears to be resulting in less permanent domicile. In any case, irregular migrants can become fairly permanent too, as among some of the urban-based Mexicans in the US, and indeed such permanence tends to be reenforced by an inability to come back yet again. Whether temporary and irregular migrants are substitutes or complements appears mixed. Critics of the newly proposed guest worker program in the US claim that the earlier *bracero* program induced subsequent undocumented movement, though some expansion in irregular migration would surely have occurred anyway. Certainly some of the European countries today are either assuming that expanded legal entry will reduce the number of asylum seekers and irregular movements, or exploring bilateral deals to regularize recruiting in return for efforts to reduce irregular migrations.

The OECD countries show little inclination to permit permanent entry of unskilled foreign workers. The future implications of migration from the developing countries for economic development in those countries of origin, and specifically for their poor, will consequently hinge critically upon the continued evolution of temporary worker programs. In a few contexts, conscious decisions have been taken to reduce long term reliance on imported labor, though such decisions were not always realized. Attempts to localize jobs in the Gulf in the mid-1990s did not come to fruition; termination of the *bracero* program did not mean an end to demands for Mexican workers in the US; cessation of guest worker recruiting did not witness an end to use of unskilled foreign labor in Europe. On the other hand, when some of the South African mining houses elected around 1971 to curtail more than a century of foreign mine labor recruiting, to upgrade technology and localize jobs, more than half a million miners went from being 62 percent foreign to 62 percent domestic within six years, though at a cost of tripling in real wages. Agricultural subsidies currently play a key role in enhancing demands for temporary guest workers in many of the industrialized nations; protectionism to avert outsourcing could come to play a similar role. Meanwhile, technology in many spheres is becoming increasingly skill intensive permitting diminished reliance on less skilled workers, though in such areas as care for the elderly the potentials for both substitution and outsourcing may well prove limited.

H. Poverty, Inequality and the Social Impacts of Migration

1. *Poverty and Inequality*

In considering the consequences of alternative migration regimes for development, it is important to recognize that improvements in average incomes within the countries of origin by no means guarantee betterment for all. In the midst of overall economic development, pockets of poverty may well be left behind; indeed poverty may even be deepened for some. Obviously, the incidence of absolute poverty can only become worse in the face of growth in average incomes if the share of income going to the poor declines. For the most part, the evidence suggests that economic growth dominates, resulting in few cases of rising poverty incidence despite overall growth. Nonetheless the issues remain as to the effects of migration upon inequality, whether some groups are left behind in any gains from migration, and indeed whether some are made absolutely worse off.

Whether inequality increases or diminishes with migration and remittances appears to vary across our case study countries, though there are few analyses of both the impact and indirect effects of migration upon inequality, the latter accounting for spending out of remittances or for labor market adjustments. In most contexts, the poorest do not migrate abroad. Yet many of the migrants are nonetheless drawn from households below the poverty line. On balance, there appears to be some agreement that migration has resulted in poverty alleviation in the major source areas in South Asia, in the Philippines, Thailand, Morocco and Albania. Studies in Albania point, however, to the difficulties in disentangling the extent to which families are better off because of migration or whether members migrate more commonly from better off families.

The migration-remittance nexus may be particularly effective in addressing issues of transient poverty. First, migration may prove a viable option in the face of sudden crisis or economic downturn. Massive refugee flows have resulted from the onset of violence and associated poverty in the last two decades, though not all of these incidents have proved to be transient. Migrations, both internal and international, also resulted from the onset of the East Asia financial crisis. Moreover, there is evidence that remittances move counter-cyclically, thus offering relief during recessions, perhaps motivated by altruism during times of crisis but also stimulated by exchange rate depreciation. On the other hand, to the extent that remittances are indeed motivated by altruism, and hence concerns for loss of income at home, a tradeoff may emerge with other private or public efforts at poverty alleviation. As public relief kicks in, remittances become less necessary and consequently diminish. Estimates of the extent of trade-off involved vary considerably from context to context, though there is a consensus that the trade-off is considerably less than a hundred percent, so remittances are indeed poverty alleviating even in contexts with complementary public relief efforts.

This is not to deny that pockets of poverty can prove quite resilient to substantial emigration streams. Given the key role of networks in amplifying migration, some communities, villages or specific families may well remain bystanders amidst an exodus. Cumulative inertia sets in. Villages with little or no initial migration can become increasingly isolated from any direct benefits of international migration and possibly of internal migration too. For these communities, any poverty alleviation from migration must rely upon trickle down effects, which remain poorly documented. That some communities may be bypassed is not a criticism of prevailing migration regimes, only a note that whereas migration and remittance generally contribute to poverty alleviation they are very unlikely to eradicate poverty. Migration alone will not suffice.

The departure of migrants may not only leave behind pockets of poverty but can, in principle, deepen absolute poverty. This is certainly possible in contexts where migrants possess skills that prove hard to replace and where the absence of those skills diminishes the productivity of workers remaining at home. At least within our case study areas there appears little sign of this, though the issue has certainly arisen over the last few years in South Africa. However, an additional possible context in which absolute poverty may be deepened by migration remains to be noted. In particular, migration can also exacerbate poverty within families. The incidence of such impoverishment is particularly difficult to measure. It is clearly not sufficient to note whether families of absent migrants are poor. Ideally one needs to know the well being, prior to migration, of those left behind. Given the difficulties in measuring individuals' consumption within the family, there is a dearth of systematic testing of this potentially important issue. Nonetheless a clear potential for impoverishment exists: absence may permit or induce a family head to renege on a prior commitment to support a spouse or children at home, and the departure of children may impoverish elderly parents, where the absent children curtail their prior responsibility of support.

2. *Social Impacts*

The process of international migration has widespread social ramifications within the countries of origin, beyond any effects on economic performance, and not all of these ramifications are necessarily positive; again some may be hurt in the midst of aggregate economic progress. A full treatment of the impact of international migration upon family structures and norms, and upon society and polity more generally, is well beyond the scope of this study, though some of the more important implications are noted.

Health: A number of health related issues arise from international migration. These range from concerns for the mental health of migrants, to the lack of healthcare workers as a result of their emigration, and the potential for the spread of diseases through migration. The last of these has become particularly acute with the spread of HIV-AIDS which has been clearly shown to have followed international truck routes in Africa and concern continues over the links between international mobility and transmission of HIV-AIDS. To the extent that migrants are aware of potential personal health problems that they and their families may face, these concerns tend to be weighed in the decision whether to risk the migration undertaking. HIV-AIDS is different in this respect: the costs can spread far beyond the migrants' families, raising major social concerns requiring societal and indeed multinational solutions.

Family cohesion: Many international migrants are married and have children. In some of our case study areas fathers and mothers are the majority of migrants. Family accompaniment is relatively rare, except among more highly skilled migrants. In some instances, the resultant separation can be for extended periods. The average tour to the Gulf is probably four to five years and the costs of visits home are high. Irregular migrants everywhere are effectively restricted from visiting home by the costs, risks and dangers of reentry. Where migration opens new economic opportunities for women, increased financial independence may also permit them to escape a failed marriage. Moreover, international migration can offer the opportunity to exit a marriage in societies that deny divorce. Thus, international migration may be associated with marital dissolution for several reasons, not merely because of the effects of extended conjugal separation.

Child rearing and education: On the one hand, remittances from the absent migrant may help to finance continued schooling. On the other hand, the lack of parental supervision and influence may affect performance at school; any extended family members may not fill the role of the absent parent adequately. Examining the effects of parental absence upon the education and other outcomes of child-rearing presents clear difficulties: perhaps the absent parents would have been more irresponsible in raising their children anyway, or perhaps they are absent for unobserved reasons and circumstances that also result in low attainment of the children. The evidence from the case study areas is mixed. Where extended families play an important role, the absence of parents appears to be less critical to children's education (Philippines), though ability to rely upon the extended family may itself become a casualty of migration (Pakistan).

Empowerment of women: One of the more important elements of change in global migration has been the growing mobility of women, both in the context of family migration and alone. The effects that this has had on the empowerment or dis-empowerment of women remains poorly understood. Both the increasing migration of women and the migration of men may play a part in women's empowerment. The absence of men abroad can leave job openings that present new, empowering opportunities for women, or simply create a power vacuum that might, in principle, be occupied by the women who remain at home. Yet the partial evidence suggests such shifts in power may be rare. Moreover, irregular migration by women leaves them particularly vulnerable.

Changing attitudes: For women migrants, a sojourn overseas means exposure to new cultures and life-styles which may result in new freedoms being asserted. Yet among male migrants the evidence is very mixed with respect to evolving attitudes. Many observers attribute the rise in fundamentalism at least partially to expanded migration. In turn, reactions to rising fundamentalism may ultimately reshape international migration.

I. WINNERS AND LOSERS IN INTERNATIONAL MIGRATION

To understand the political economy of international migration regimes it is essential to weigh who is likely to gain and who loses in the process. Most of this study has been concerned with the issues of economic development within the countries of migrants' origins, focusing upon those left behind. What are the economic impacts on the migrants themselves and upon the destination countries?

1. *Gains to the migrants*

Migrants or their families clearly believe they will gain from migration, (with the clear exception of trafficking and contemporary slavery), and for many this embodies a gain in average incomes. Simulations suggest these income gains can be extremely large. Access to these lucrative posts is rationed and, as always, rationing leads to facilitating payments. In particular, three classes of costs may be distinguished: the costs of obtaining legal entry, the costs of irregular entry, and the costs of remitting to home.

Given the attempts to limit entry, the lack of inter-state arrangements for the recruitment of temporary workers, and the general difficulties in obtaining information about openings overseas, labor migration has become increasingly commercialized in the hands of private recruiters. Frequently these arrangements involve more than one agency; private recruitment companies in the sending countries link up with job brokers in the destination countries. Together, these private services have been quite instrumental in the overall expansion of temporary labor migration flows. Fees are charged to the employer, the recruited worker, or both. However, in the face of an excess supply of migrants, wishing to move, it seems likely that most of the incidence of these fees falls on the migrants (either directly or in the form of lower wages) no matter who actually pays the fees. A number of countries, notably in Europe and the UAE, have prohibited agencies from charging fees to workers but this proves almost impossible to enforce: the demands for the services of private recruiters are simply too great. A review of the evidence reveals that the poorer the country, the higher the recruitment cost reflecting the gap in pay available and the length of the queue of potential workers waiting for the chance to migrate. That these high fees are not competed away by other recruiting agencies seems to reflect a distinct lack of competition in the recruiting sector, with barriers to entry enforced by the importance of reputation among job brokers in the labor-receiving countries.

An alternative is to by-pass the legal channels of migration and attempt undocumented entry. However, this route is far from free either. Beyond the personal risks of arrest, injury or even fatality, involved in border crossings, and indeed partly because of these risks, irregular migration has also become highly commercialized. Again, a review of the evidence indicates that the fees paid for irregular entry to North America tend to be greater than fees for entry to Europe and both decline significantly with higher income levels in the country of origin. In other words, this again suggests a scenario in which smugglers are able to charge higher fees where the gap in potential earnings is greater.

No matter whether a recruiter or smuggler is paid, the fixed costs of initial entry are very high, amounting to several months or even more than a year of potential earnings at destination. To the extent that these are payments to nationals of the country of origin they represent within-country transfers, albeit probably very regressive ones, though no doubt a significant portion of the payments also winds up going to foreigners. The fixed cost nature of these fees also discourages rapid return; given that the cost is incurred the migrant must typically remain sufficiently long to repay the debt, and back and forth movement is effectively ruled out when each cost of entry is exorbitant.

The high fees required to send remittances impose another form of substantial taxation upon migrants' gains. The costly transfer fees reflect high fixed costs per transfer and small amounts per transfer, as well as lack of competition in the formal remitting business especially in the lower income countries where bank competition remains weak. In consequence, remitting migrants clearly prefer the cheaper, informal banking system though the future prospects for this informal sector are unclear under increasing scrutiny from international regulators.

The combined fees extracted from migrants by various agents clearly can be very substantial. These fees also vary a great deal though there are indications that each component tends to impose a higher cost on migrants from lower income countries, even in absolute terms. For migrants from lower income countries, the overall effect is a very significant drain upon their net gains. For instance, if an unskilled worker pays 80 percent of his first year income to recruiting agents (as suggested by some of our evidence), goes to the Gulf for four years, remits half of his earnings and pays 15 percent commission on his remittances, this would amount to an average tax of 27.5 percent. This is a significant imposition, though probably far above the median rate. Despite the exorbitant fees that prevail it remains clear that most migrants indeed gain and gain a good deal.

2. *Winners and Losers: Destination Country Perspectives*

At least to some extent, attitudes to the arrival of fresh migrants are shaped by the perceived consequences for incomes of the prior residents. Two components attract most attention. The first is the impact that migrants may have on wages or employment levels of prior residents, and hence also on profits accruing to business owners. The second group of concerns revolve around the fiscal implications of immigration.

An extensive literature examines the impact of immigration upon wages in the US. A much smaller literature looks at the European case and at such contexts as Australia. A review of this indicates a rather remarkable uniformity in finding only quite small effects on labor market outcomes for the prior populations of the destination countries.

The potential contribution of immigrants to the fiscal balance of their host country has attracted increasing attention in recent years, in view of population ageing in the OECD countries and the consequent pending social security crises. Whether and how much migrants contribute net to the fiscal coffers of their hosts depend very much upon the composition of migration. There is widespread agreement that highly educated migrants generally contribute more to the fiscal balance, even taking into account the dynamic effects of their dependents. A few studies indicate that highly targeted immigration, focusing on the highly skilled of prime working age, could completely eliminate the projected social security crisis though other observers disagree with this position, (not to mention whether such targeting is truly feasible).

Thus, although attitudes of natives to the arrival of fresh migrants may be partially shaped by consequences for their incomes, the empirical evidence suggests this is more a matter of perception than fact. Although economic theory for the most part predicts net economic gains to prior residents, though with much larger redistribution effects among these residents, the wage effects on which these predictions are founded have proved difficult to isolate: the effects of immigration on wages and employment of prior residents appear to be small. The considerable recent attention to the potential for immigration to resolve the pending social security crisis indicates relatively small, but generally positive, fiscal impacts of immigration.

To some extent the contrast between political perception and the economic evidence may reflect differences in time horizons. The investigation of fiscal effects has become very far sighted, looking at projections over more than a century. Voters opinions may be shaped by far more myopic considerations. Lobbying by business very much reflects the short term concerns of entrepreneurs to access cheap, qualified labor for their particular sector; unions care about the position of their own members rather than about ‘labor’ in more nebulous terms.

Nonetheless, we cannot escape the fact that the evidence generally indicates small wage and employment effects and small, possibly mixed, fiscal effects even in the shorter term. Either our evidence is wrong or political opposition to immigration is not ultimately founded on economic grounds, but out of concerns to preserve some sense of national, ethnic or racial identity.

J. Policy Implications

Although there is considerable room, and perhaps need, for bilateral and multilateral accords in the migration nexus, it is the policies adopted by the individual sending and receiving nations that carry most force in shaping both migration outcomes and their development consequences.

1. *Policies in the Countries of Origin*

Most international migrants would prefer to stay at home if only jobs were available and personal safety secured. In this sense, mass out migration is, to a substantial extent, a reflection of the failure of migrants' home countries to create jobs and to prevent violence. The lack of peace may well stem from the instability or aggression of neighboring countries rather than from home itself. On the other hand, pursuing a development strategy that creates jobs and raises the demands on domestic labor is often far more firmly within the terrain of the home country's policy makers.

For a number of the major migrant source countries within our four case study areas, lack of wage and employment growth remain, or indeed have become, a problem. Other economies have begun to grow more rapidly and a number of these have made the transition to become major migrant destinations themselves. For those countries that have proved unable to generate jobs and wage growth at home, the migration option offers a critical safety valve. First, the departure of significant numbers of unskilled workers alleviates pressures on the home country labor markets. Second, the remittances sent home alleviate poverty.

Many governments are quite preoccupied with maximizing remittance earnings, actively seeking or negotiating to facilitate migration and designing schemes to encourage remittances from the resultant diaspora. The efficacy of policy efforts to induce additional remittances from a diaspora remains poorly documented and understood. Whether remittances accelerate or retard domestic production remains a matter of some dispute. In a number of contexts, there are emerging indications that remittances enhance domestic investment levels. Elsewhere, spending from remittances acts as a catalyst for economic expansion. Off-setting factors include reduced labor supply in families supported by remittances, though in labor surplus economies this should hardly be a concern. As with any financial inflow, remittances may or may not be deployed to generate further expansion, yet in the interim they certainly permit raised living standards. Some remittance recipients elect to enjoy their transfers in terms of additional consumption, some invest in their children's education, homes and other assets, while others use the remittances to reduce their participation in the labor force. A number of critics complain that too little investment results and that policies should be designed to correct this. Yet the grounds for intervention in these private decisions are not well founded. A government may appropriately decide to stimulate overall investment levels but why should investment by remittance recipients be specifically targeted? To a large extent the same may be said of decisions by returning migrants to retire (perhaps temporarily) on their remittance income. On-going efforts by home governments to address this latter 'problem' remain without serious evaluation and anyway are probably misguided. A free choice to remain out of the labor force should surely not warrant correcting.

Attempts to promote migrant labor and hence ensuing remittances face a serious policy dilemma, given that most governments with contract labor systems have expressed a concern to protect the rights, safety and terms of work of their overseas workers. Where attempts to improve conditions of work raise labor costs, or even lead to confrontation, they are also likely to restrict the demand for workers. Similarly, attempts to regulate private recruitment agencies must be weighed against the tendency to drive recruiters abroad, to divert more labor into irregular, unmonitored channels, possibly with even worse standards than if no regulation occurred, and to limit competition in the legal recruitment market at home.

The brain drain continues to attract attention in the international arena though less so in domestic policy discussions. The brain drain seems high on the list of migration policy concerns in only a few countries today. Yet this surely does not stem from any common belief in processes of brain gain. Rather, migration offers an important safety valve not only for unskilled, underemployed workers but, in many contexts, for skilled workers too. It is entirely feasible that private and public spending on the education of departing migrants represent a worthwhile investment: an investment in the export of educated migrants in return for their remittances.

Yet this cycle of migration and remittance as a safety valve, whether for unemployed college graduates or underemployed, less skilled workers, breeds dependence. The pressure to design and commit to a development strategy that creates employment, the incentive to evaluate the public structure of college financing, even the necessity to deal with containing violence, are postponed by the migration option. Moreover, the lack of jobs at home may be partially caused by an over-valued exchange rate; the lack of jobs spawns emigration and the resultant remittances help prop up the exchange rate. Remittances have clearly provided vital poverty relief in the short run in a wide range of settings, yet dependence on continued migration and remittances may well postpone both the need and means to generate jobs at home.

2. *Policies in the Countries of Destination*

The major policies determining the important features of today's global migrations from low to high income countries lie largely in the hands of the host countries. The concern to contain the extent and composition of migrant arrival can only partially be realized through imposition of border controls and sanctions against apprehended irregular migrants and their employers. Even the most draconian attempts to erect barriers to entry are never fully effective. The industrialized countries thus have a self-interest in the economic development of migrant source countries, if only because these developments affect migration pressures. Yet the reverse, the impact of migration upon economic development at origin, rarely shapes or even informs migration policy design.

There is a common presumption that admission of highly educated migrants adds more to incomes of natives than admission of low skill migrants, even beyond any effects on fiscal contributions. This is the mirror image of a brain drain effect. However, as with the brain drain, the evidence is controversial.

In the balance, many of the industrialized nations are actively and increasingly seeking to attract highly skilled, permanent settlers and less skilled workers on a temporary basis. The attempts to attract highly skilled migrants to the OECD countries show little concern for the potential costs to the nations of origin and various proposals for schemes to compensate the lower income countries have been stymied. Yet blanket criticism of the higher income countries is not warranted in this regard either. Preventing highly skilled persons from taking advantage of migration, simply because of their country of origin, is discriminatory. The choices that the OECD nations make with respect to visas and admission to state universities for foreign students also have important development implications for the countries of origin, though rather mixed implications. On the one hand, it is clear that study abroad is a key factor in promoting and permitting the brain drain. On the other hand, denying a high quality education to students from the lower income countries may also retard development potential.

Both in the context of high skilled migrants and of the diaspora and their remittances, return migration assumes a central importance in the development implications of sojourns overseas. Without an intent to return home, links with the diaspora evaporate over time: remittances and the stimuli to trade, capital flows and technology transfer die. Students and other highly skilled people who settle permanently abroad, and are able to bring their family or form a family abroad, contribute little to their home countries. The migrants themselves probably benefit more from permanent settlement, but those left at home do not.

Industrial country policies are certainly in need of greater cohesion. Aid, trade, capital flows and migration are intimately linked. At present, policies designed to affect one component often conflict with policies that are aimed elsewhere within this nexus. Protectionist policies that harm job creation in the developing world, and simultaneously stimulate industries that employ (irregular) migrants in the industrialized countries, are at odds with concerns to control migration of less skilled workers. The same may be said of the recent trend to limit ODA. If concerns over migration pressures serve as a catalyst to expand aid and to open trade generally this may not be a bad thing. On the other hand, the effect could instead be greater preferential treatment in aid and trade, diverting such efforts away from poor areas that generate less migrants perhaps simply because of their geography. Attempts to cajole governments in the lower income countries to control out migration, using threats of discontinued aid or inducements of expanded trade opportunities are very unlikely to succeed: emigration controls are probably no more effective than immigration controls and would violate a basic human right. Cohesion is important: targeting blunt instruments clumsily is not. This is a fine line to tread.

3. *Closing Remarks*

The right to emigrate is widely recognized; the right to immigrate is not and the high income countries appear as elite clubs with restricted entry. Yet everywhere admission controls fail, resulting in irregular entry, albeit at high cost. The term 'unwanted' migration has passed into common parlance. Yet international migration can be, and for the most part is, a positive force for both receiving and sending countries.

The element of return in migration is important to the economic effects on those who remain at home. The intent to return sustains commitment to those left behind, which is critical to the process of remitting; the sharing of the migrants' gains. Everywhere the high income countries emphasize their preference for temporary migration. In this concern for return migration there is, then, a concurrence of interests between the poor and rich economies, between the sending and receiving nations, though the motives differ. For the lower income countries the dominant concern is the continued contact and support received from migrants who intend to return home. For the migrant receiving nations, the preference for temporary admission is driven largely by a reluctance to integrate, despite the lessons of history on the tremendous gains that have resulted from the mingling and melding of cultures.