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Future Trends in International Migration

According to a projection by the World Bank, international migration will decline significantly over the next decade. This projection not only assumes a narrowing of the welfare gap between industrialised and developing countries. It also sets out from the premise that potential migrants react to changes in the economic and social conditions in their home countries with more or less constant (negative) migration elasticities. The following article shows that there is reason to question the validity of this assumption.

The World Bank expects that international migrant flows, which averaged around 1.1 million persons a year worldwide between 1985 and 1990, will decline to around 890,000 a year by the end of the decade.¹ Underlying this projection is the assumption that the poverty gap between the Northern and Southern hemispheres will narrow. As a consequence the Third World countries where the sources of these flows of migration are located should be able to provide lucrative employment for a larger proportion of their population as their development policies bear fruit. The pressure to emigrate from the Third World should therefore ease, thus reducing migration to European and Arab countries. Only the USA, Canada and Australia will continue to receive a substantial flow of immigrants.

Projections such as these are obviously subject to many caveats, for it is uncertain whether the economies of many of the less developed countries in question will show a lasting improvement over the next decade, as the World Bank assumes. Many of the factors responsible for economic growth in these countries and in the world economy can be forecast only by assuming constant structural conditions. This is a rash assumption, as the latest crisis in the Middle East has taught us yet again. In addition such forecasts set out from the premise that potential migrants react to changes in the economic and social conditions of their home countries with more or less constant negative migration elasticities - the higher their real wages and the employment opportunities reflected therein, the smaller the flow of emigrants. But there are many reasons to question the plausibility of this fundamental assumption of the World Bank prognosis.

The improvement in the information available to potential migrants in the Third World countries of course is the result of worldwide media integration. It is also due in our world of high personal mobility to the gathering and passing-on of information associated with the phenomenon of "chain migration": the longer a particular group of migrants lives in a particular host country and the more numerous they are there, the greater is the amount of reliable information on conditions in the host country to be passed back home. Information channels that came into

The assumption of a constant migration elasticity can be sustained only if it is assumed that potential migrants always respond in the same way to the factors that are relevant to the decision to migrate. This in turn would be possible only if there were no improvement in the relevant information available to the migrant nor any improvement in migration-related decisions as a result of learning processes. In a world where geographic distance no longer has a decisive influence on the cost of travel or the acquisition of information and where learning opportunities increasingly enable individuals to take rational decisions, the opposite is more likely to be the case. Hence an increasing part of the population of the Third World whose socio-economic prospects are poor by comparison with the opportunities available in the industrial countries, which today are known in every corner of the world, will increasingly accept international migration as a workable option.

¹ F. Arnold: Revised Estimates and Projections of International Migration: 1980 – 2000, World Bank Policy, Planning and Research Paper No. 275, Washington, D.C. 1990.

² M. Abella: Asian Labour Mobility: New Dimensions and Implications for Development, in: Pakistan Development Review, Papers and Proceedings, Vol. 26, 1987.

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being in this way are formalised and commercialised by recruitment agents although at a cost that may be considerable for the potential migrants.²

Such improved information triggers learning processes, which enable potential migrants in the developing countries to reach better decisions as to the individual costs and benefits of moving to one of the industrial countries. The contrast between the discernible opportunities there and those available in the home country lead to a feeling of deprivation. If this can be expressed as a formal opportunity gap and the individual considers it unlikely that he will be able to close this gap in his own country while the probable material and intangible benefits of migration outweigh the expected costs and risks, he will choose to emigrate.

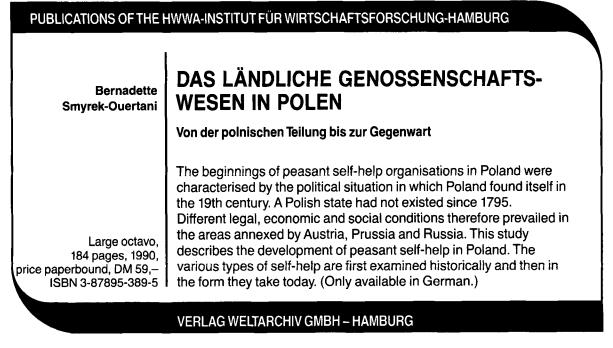
Spreading the Risks

The first to decide to emigrate will be from social groups that are relatively well informed and have a fairly low aversion to risk. As a rule, these are young qualified men. Once migration has become routine, as it has in most of the countries concerned, relevant information is more or less common knowledge. The fact that migration paths and procedures have been "run in" also makes the risks appear less daunting. Migration then becomes a mass phenomenon, increasingly involving economically dependent women and children as well as unqualified older men.

At the same time as emigration has become routine in the societies of many Third World countries, the calculations made by potential migrants from these countries have become more complex.³ The decision to emigrate to an industrial country, for instance, can be seen as the result of an attempt to spread the risks: For a large group of potential migrants it is only sensible, given the employment risks in a number of labour markets, if some members of the group remain in their home area, others look for work elsewhere in the country and a third contingent moves to another country as migrant workers. This strategy is also favoured by the presumption that employers in the host countries often lack a precise idea of the migrants' true productivity. The result is that migrants with a lower productivity can hope to receive an economic rent, while those with a relatively high productivity can earn bonuses. If such factors significantly influence the decision whether to emigrate or not, emigration may still appear sensible even if there is no material difference in income and employment prospects between the home country and the host country. In some cases therefore migration of workers occurs even between equally poor or equally prosperous countries.

In general better information and the learning processes it permits make emigration appear as a preferred alternative for an increasing number of people with relatively bad prospects in life. But one must bear in mind that the migration pressure from the poor countries is intensified by pull effects on the part of the industrial

³ O. Stark, D.E. Bloom : The New Economics of Labor Migration, in: The American Economic Review, Papers and Proceedings, Vol. 75, 1985; H. Körner: Internationale Mobilität der Arbeit, Darmstadt 1990.



countries themselves: The structural shift towards the post-industrial high-technology and services economy generates demand for unqualified, lowly paid workers who are no longer available in these countries.⁴ This in turn makes it realistic for migrants from the Third World to hope to find a job in industrial countries despite the prevailing restrictions on immigration. National borders and curbs on migration lose their meaning in these circumstances.

Immigration Control

International migration theory does, it is true, assume that not all migration decisions made in this way can be implemented, because the host countries, in particular, control and regulate immigration for a wide variety of reasons.⁵ The root cause may be the fear of being swamped by foreigners, of political destabilisation and economic impoverishment. There is no country on earth to which immigration is completely free, although today restrictions are no longer based on racial and political factors but primarily on economic and humanitarian criteria. In many countries, however, there is a great disparity between theory and practice in this respect; countries with a long tradition of immigration and those that are unable to control their borders effectively tend to apply entry restrictions less rigorously. As a result, many migrants can circumvent the formal obstacles to immigration without technically breaking the law. They then live in the host country as irregular migrants, where they are partly tolerated by the authorities, partly regularised by amnesties or in some cases repatriated, where this is possible.

As the ability of wealthy host countries to regulate immigration diminishes, the dividing line between international and interregional migration becomes blurred. A process that has already been described with regard to interregional migration within developing countries is therefore being reproduced at international level.⁶ Given the wage levels and employment opportunities potential migrants from rural areas expect to find in urban centres, migration from the country to towns can still prove rational even if there is open unemployment in the formal urban labour market; the incomers go "underground" into the informal sector of the urban economy until they finally obtain one of the well paid jobs they would never have found in the countryside.

Hence, just as in the Todaro model the informal sector of the urban economy in Third World countries serves as a kind of "waiting room" for migrants, in future many of the fast growing urban regions of industrial countries will also become the destination and staging-post for irregular immigrants from poor countries in view of the many employment opportunities they offer, especially in the informal sector. It must be acknowledged that such a development entails rising social costs in both the home and the host country and that it may therefore become a serious economic and social problem in the more prosperous industrial countries as well.

Increasing Scale of "Poverty Migration"

The problems associated with the international "poverty migration" are especially conspicuous in North America, where Mexicans, in particular, have for many years been crossing the United States' long border, which it is virtually impossible to patrol effectively. Serious projections indicate that the annual inflow of regular and irregular immigrants from Mexico will rise from almost 900,000 in 1983 to at least 3 million in the year 2000.7 It is estimated that there were between 3 and 6 million Latin American immigrants living illegally in the USA at the beginning of the eigthies.8 Around 3 million of these mostly Mexicans - were regularised under an amnesty in 1987/88.9 It is interesting that the bulk of those who took advantage of the amnesty were young, unqualified male farm labourers, with industrial workers and workers in the services sector accounting for a smaller proportion. This is undoubtedly linked to the fact that agriculture in the southern states of the USA, and especially California, relies on the steady supply of cheap labour from Mexico.

The increasing scale of international "poverty migration" is also evident in Europe. Although the proportion of migrants from other EC countries had been expected to rise as a result of the freedom of movement of labour within the Community, most member countries of the European Community have experienced a marked increase of non-EC migrants instead.¹⁰ This phenomenon has affected especially the countries in the South and South West of the Community which until recently were themselves "exporting" workers to the Northern industrial

⁴ S. Sassen: The Mobility of Labor and Capital, Cambridge, New York 1988; O. Barsotti, L. Lecchini: Changes in Europe's International Migrant Flows, in: Journal of Regional Policy, Vol. 8, 1988.

⁵ J. N. Bhagwati: Incentives and Disincentives: International Migration, in: Weltwirtschaftliches Archiv, Vol. 120, 1984.

⁶ M. P. Todaro: Internal Migration in Developing Countries, Geneva 1976.

⁷ C. Stolp, S. Weintraub: The Implications of Growing Economic Interdependence, in: OECD: The Future of Migration, Paris 1983, p. 156 f.

⁸ Y. Moulier-Boutang, P. Garson, R. Silberman: Economie politique des migrations clandestines de main d'oeuvre, Paris 1986.

⁹ OECD-SOPEMI: Continuous reporting system on migration, Paris 1989, p. 96.

countries: In 1987/88 the population of regular foreign residents totalled 572,000 in Italy, 464,000 in Spain, 184,000 in Greece and 95,000 in Portugal. Immigrants from North Africa, the Middle East and other developing countries accounted for 198,000 in Italy, 184,000 in Spain, 94,000 in Greece and 67,000 in Portugal.¹¹ The composition of this population according to country of origin differs from one host country to another. For example, the majority of the Third World immigrants in Italy come from Jordan, Morocco, the Philippines, Egypt and Ethiopia, whereas in Spain immigrants from Morocco, Argentina, Venezuela, Chile and the Philippines predominate.

In addition to the foreigners living as regular residents in these four countries, there are also large numbers whose situation is "irregular". The figure for Italy is put at a minimum of 600,000 and a maximum of 1 million in 1987/ 88. It is estimated that there are 294,000 illegal immigrants in Spain, 70,000 in Greece and 60,000 in Portugal.¹² Reliable information on the origin of the irregular foreign population comes from regularization programmes.13 The great majority of the 118,000 immigrants who took advantage of the Italian regularization programme in 1987/88 came from Morocco, the Philippines, Sri Lanka, Tunisia and Senegal. Most were employed as unskilled workers in industry and services. In Spain 44,000 immigrants were regularized in 1985/86, the majority from Morocco, Senegal, Gambia and Argentina. They worked primarily in services, construction and agriculture.

Heavy Burden

Italy and Spain have so far become the main destination of both regular and irregular migrants from a number of Third World countries. There are many reasons for this, not least the fact that these two countries form a geographic bridge from the Southern hemisphere to the old industrial countries of North-Western Europe and do not exercise effective border controls, no doubt for the sake of tourism. So they present themselves as stagingposts for onward migration to North-Western Europe, often on a clandestine basis. To the extent that onward movement is hampered by the increasingly rigid entry controls on the part of the countries of destination, Italy and Spain became "transit halls" for migrants from the Third World.

Moreover Italy and Spain exhibit fast economic growth. They increasingly today offer low wage jobs with poor qualification standards that the indigenous population no longer wants to take up. Many observers therefore presume that the economic development of these countries depends on the presence of migrants from the Third World,¹⁴ particularly as otherwise it would be impossible to fill the low-skill jobs that have emerged as an adjunct to high-technology industry. In the face of this positive assessment of the immigration from Third World countries it should be borne in mind however that unemployment is above average among this group of migrants. As a consequence the associated social expenditure is placing a heavy burden on the already shaky budgets of public institutions in the Southern European countries. Finally, it should be noted that the concentration of Third World migrants in the cities of these countries is leading to xenophobia and racism, which had not been prevalent before. The outbursts of hostility towards foreigners reported from many Italian cities in the spring of 1990, and especially from Florence,¹⁵ should be a warning to those who tend to belittle the economic and social corollaries of the "poverty migration" from the Third World.

Need for Co-operative Strategies

With the growing welfare gap between the rich countries of Western Europe, America and Oceania, on the one hand and the poor countries of the former socialist empire and the Third World, on the other, the migrationrelated problems will mount to a critical dimension if the industrial countries fail to take preventive measures. Therefore it seems necessary to revive co-operative strategies of economic and social development aiming to improve the living conditions of the poor. This causal therapy should on the part of the European industrial countries be supplemented by the formulation of a general European immigration policy:16 Workers from outside the European Community and the European Free Trade Association in principle should be admitted freely. But to avoid an overcrowding of the labour markets in Europe, immigration should be limited according to employment needs and the reception possibilities of the social infrastructure of the European countries.

¹⁰ W. R. Böhning, J. Werquin: Some Economic, Social and Human Rights Considerations concerning the Future Status of Third-Country Nationals in the Single European Market, International Migration for Employment – Working Paper No. 46, Geneva 1990, pp. 38-40.

¹¹ isoplan: The Immigration from Non-EC-Countries into the Southern Member States of the European Community, unpublished document, Saarbrücken 1989.

¹² W.R.Böhning, J. Werquin, op.cit., tab.7.1, p. 46; isoplan, op.cit.

¹³ OECD-SOPEMI, op.cit., p. 93 f.

¹⁴ G. Ancona: The Economic Consequences deriving from the Presence of Foreigners in Italy, in: Journal of Regional Policy, Vol. 9, 1989.

 $^{^{\}rm 15}$ The would-be Europeans, in: The Economist, No. 7666, Aug. 4, 1990, p. 12 f.

¹⁶ W.R. Böhning, J. Werquin, op.cit., p. 26 ff.