OVERVIEW

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Over the centuries millions of people have migrated—despite the physical, cultural, and economic obstacles—to other lands in search of better lives for themselves and their children. Currently, the number of people living outside their country of birth is estimated to be over 180 million or 3 percent of the world population (World Bank 2006). Movement of such large numbers of people creates significant economic benefits to the migrants, their families back home, and their adopted countries. For example, remittances now constitute the largest source of foreign capital for dozens of source countries.[1] At the same time, migration creates social, cultural, and political challenges that can create strong opposition and overwhelm any rational policy debate in source and destination countries.

As a result of their rapidly increasing economic, political, and social significance, migration issues have become the focus of attention in a variety of forums. For instance, in 2003 the United Nations Secretary-General and a number of governments launched a Global Commission on International Migration that presented its final report in 2005. In September 2006 the United Nations held the first High-Level Dialogue on International Migration and Development, which resulted in creation of the Global Migration Forum.[2] Migration and related debates are moving away from bilateral and regional dialogues to a multilateral platform and starting to occupy a higher position on the global policy agenda.

Despite the public attention, however, a wide gap exists between the growing importance of migration as an economic and social phenomenon and rigorous empirical analysis of that phenomenon. The absence of detailed and reliable data has until recently constrained empirical studies and thus sound policy analysis. Given the urgency of dealing with the issue and the paucity of data, the World Bank launched the International Migration and Development Research Program in 2003.

The objectives of this program are to provide solid analysis and empirical evidence to serve as a basis for expanding understanding of the determinants and effects of international migration and remittances and to identify policies, regulations, and institutional arrangements that lead to superior development outcomes.[3]

Most academic studies on migration can be divided into three categories on the basis of methodology. The first group includes macroeconometric studies that perform cross-country comparisons based on aggregate data. The second group is comprised of microeconometric analyses that generally focus on a single country and that employ survey data. Finally, there are descriptive case studies that tend to be policy centric. These three levels of studies contribute to understanding of migration in different ways. Macro studies and aggregate data provide the overall picture, but they give limited insight into the causes and consequences of migration in individual countries. The country econometric studies fill that gap. The purpose of the case studies is to illustrate and clarify many theoretical mechanisms and to advance understanding of the impact of different migration policies, given that introducing policy variables in econometric regressions is generally difficult. Each study in this volume aims to answer a variety of development- and policy-related questions using the most appropriate of these three methodologies.

These empirical studies and analyses include exploration of some novel hypotheses; they are also new in terms of the topics selected and the regions/countries examined. The topics can be classified as data, return and circular migration, fertility and demographic transition, and host-country policies. The regions (and countries) covered in this volume are the Caribbean (Dominican Republic, Haiti, and Jamaica), North America (Mexico), Central America (El Salvador, Guatemala, Honduras, and Nicaragua), South America (Bolivia, Ecuador, Paraguay, and Peru), the Middle East (Egypt), the Near East (Turkey), North Africa (Morocco), South Asia (Pakistan), the South Pacific (New Zealand and Tonga), and Western Europe (Norway and Switzerland).

One of the daunting obstacles faced by scholars working on international migration is notoriously incomplete and low-quality data. A major contribution of this volume is the presentation of the most extensive international migration database constructed to date; this database includes new data on South-South migration. Additional contributions include the empirical analysis of the determinants of return and repeat migration and of the labor-market performance of return migrants. A fascinating and highly original new study examines the impact of migration on the diffusion of host countries' behavioral norms and on fertility in the migrants' source countries. Another contribution of the volume is the presentation of immigration policies in Switzerland and New Zealand and a discussion of their impact on the immigrants in these countries. Additional studies examine the impact of international migration and remittances on poverty, on

labor market participation, and on girls and boys' health and education outcomes in various countries.

An earlier output of the International Migration and Development Research Program was *International Migration, Remittances and the Brain Drain* (Ozden and Schiff 2006). The volume generated extensive academic and policy interest because of the topics examined, the presentation of a new comprehensive brain-drain database, and innovative research with important policy implications.[4] The present volume constitutes a natural progression of this work, first by applying the analysis of the impact of migration and remittances to new countries and second by extending the analysis in terms of issues and methodology, as described above. The volume is organized in four parts. The new migration database, which is presented in Part I, provides a matrix of *bilateral* migrant stocks for 226 countries. The new database also aims to shed some quantitative light on one of the most fundamental yet often ignored questions in policy debates and academic analysis: who is a migrant? Some countries define a migrant according to place of birth and others according to nationality. Chapter 1 shows that these distinctions make a big difference in terms of the actual level of migration.

Chapters 2–4 in Part II estimate the impact of migration and remittances on poverty in 12 Latin American countries, on education and health outcomes for girls and boys in Pakistan, and on male and female labor market participation and on children's education in El Salvador. These studies place special emphasis on econometric issues such as selection and endogeneity biases. Chapter 5 examines the hypothesis that international migration affects birth rates and the demographic transition in the migrants' countries of origin and that the extent of the effects depends on the characteristics of, and behavioral norms in, the host countries where the migrants live.

Part III consists of two chapters dealing with host-country immigration policies and their impact on migrants for two migration corridors that are generally overlooked within the European Union- and U.S.-centric world of migration research and policy debate: the Pacific Islands-New Zealand and the Balkans-Switzerland corridors. One chapter examines the effectiveness of restrictions in New Zealand's immigration regime in terms of impact on the migration of Tongans; the other chapter explores Swiss immigration polices and their impact on Serbians and other former Yugoslavs in Switzerland. An important contribution of this volume is to draw attention to these important but understudied destination and source countries as well as to their unique migration policies and programs.

Return migration is a crucial development issue, especially if the source countries are expected to benefit from human, physical, and social capital acquired during their citizens' stay in destination countries. Part IV consists of two chapters; the first one examines the determinants of return and repeat migration in Norway,

and the second one analyzes the degree of success and the occupational choice of return migrants to Egypt relative to similar individuals who did not migrate.

The next section provides an overview of the main findings presented in this volume. Rather than providing a detailed description of each chapter, the section examines questions of interest for policymakers and researchers. It presents answers based on the findings in the chapters.

Who Is a Migrant? What Is the Extent of International Migration?

Despite the rapidly increasing attention that migration and migrants are receiving in development research and policy debate, little is known about the total number of migrants. One reason is the large extent of undocumented migration. Another reason is the reluctance of some governments to collect and publish data on migrants.[5] Yet another reason is disagreement on the definition of a migrant; many countries use different legal definitions, making cross-country comparisons difficult. The first chapter in the book is the outcome of the Herculean task of collecting and classifying globally comparable bilateral migration data.

In chapter 1, Christopher R. Parsons, Ronald Skeldon, Terrie L. Walmsley, and L. Alan Winters present four versions of two matrixes for 226 countries by 226 countries.[6] In the first matrix, migrants are defined by their country of birth (the foreign-born population in the destination country); in the second matrix, a migrant is defined by his or her nationality. This distinction is crucial, because different destination countries employ different legal definitions of a migrant when collecting data. These different definitions are carefully elaborated and presented through interesting examples from Portugal and the United Kingdom.

The data are collected from the latest round of censuses (2000/01), the latest available censuses, or other sources that are meticulously documented in the chapter. The first version of the matrix presents the currently available data. Each subsequent version progressively employs different techniques to estimate the missing data, and the techniques are carefully explained to the potential users of the data. The final matrix provides global data on international bilateral migration stocks. The aim is to clearly identify and collate comparable data across countries—data that can be used by all migration researchers across many disciplines, including demography, economics, and sociology. In addition, the authors give a first account of the contents of the database by quantifying the patterns of international migration. For instance, the data show that South-to-North emigration accounts for 37 percent of total emigration, South-South emigration, for 24 percent, and North-North emigration, for 16 percent.[7] By making the census data from different countries comparable across the globe, the authors create a common ground for policy makers, contributing to better empirical research on migration and a more informed policy debate.

Do International Migration and Remittances Reduce Poverty?

In chapter 2, Pablo Acosta, Pablo Fajnzylber, and J. Humberto Lopez present the findings of studies conducted in 12 Latin American and Caribbean countries. They use two headcount poverty measures based on poverty lines of $1 per day ("extreme" poverty) and $2 per day ("moderate" poverty). They find that remittances have large poverty-reducing effects when migration is assumed to be exogenous—that is, when migration is assumed to have already taken place. These effects are largest in countries such as Mexico and El Salvador, where migrants come from the lower part of the income distribution. Extreme poverty falls by over 35 percent in both countries, and moderate poverty falls by 15 percent for Mexico and 21 percent for El Salvador. The reduction in extreme poverty and moderate poverty for the 12 countries averages 14 percent and 8 percent, respectively.

One of the key contributions of chapter 2 is treatment of migration decisions as endogenous. The impact on poverty is smaller though still positive when migration has not yet taken place and must occur before remittances can be sent back home. The reason is that the impact of remittances on the migrants' household income is the difference between remittances and the loss of the migrants' home earnings in the premigration situation. When this difference is taken into account, the reduction in extreme poverty and moderate poverty in Mexico and El Salvador averages only 3 percent.

The second finding is that the poverty-reduction impact of remittances is much larger if measured only for recipient households rather than for the population as a whole. For the absolute reduction in extreme poverty, the largest absolute difference between that of recipient households and that of the population as a whole is found in Guatemala and Haiti, where it equals 10.7 and 15 percentage points, respectively. The largest differences in moderate poverty are found in Bolivia, Ecuador, Guatemala, Haiti, and Honduras; they amount to between 10 and 17 percentage points.

The findings in chapter 2 are consistent with those in the literature. Adams (2006) confirms the results for Guatemala, and Yang and Martinez (2006) find that an increase in remittances leads to a reduction in migrant-household poverty in the Philippines. They also find spillover effects, including falling poverty in households without migrant members. Mora and Taylor (2005) find that for Mexico both internal and international remittances have an equalizing effect on incomes in high-migration areas but not in low-migration areas and that the larger the share of households with migrants in a region, the more favorable the effect of increases in remittances on rural poverty. The two effects are consistent with one another, as noted by McKenzie (2006), who obtains a similar result. He argues that, as networks develop and migration costs decline, individuals from lower-income households migrate, and poverty declines as well. Duryea and Olmedo (2005) confirm

these results. Using a sample of 2,400 observations in all municipalities in Mexico, they find that those municipalities with a larger share of households receiving remittances have lower levels of poverty.

What Is the Link between Migration and Remittances on the One Hand and Investments in Education and Educational Outcomes on the Other?

In chapter 3, Ghazala Mansuri provides an analysis of the impact of migration on education that is more detailed than analyses found in previous studies. She examines the impact on schooling at both the intensive (enrollment) and extensive (completed grades) margins. In addition, she explores the impact on accumulated schooling conditional on current enrollment and previous enrollment. Conditional analyses of the impact of migration offer a better measure of progress through school.

Mansuri shows that migration has a positive impact on all measures of educational attainment. Children from migrant households are more likely to attend school, stay in school during the age range of peak dropout rates, have higher completed grades, and progress through school at a significantly better rate than children in nonmigrant households. The key finding is that these effects vary according to gender. Enrollment rates increase by 54 percent (from 0.35 to 0.54) for girls but only by 7 percent (from 0.73 to 0.78) for boys. Mansuri suggests that because boys start with a higher enrollment rate, further increasing the rate may be harder for boys than for girls. The decline in dropout rates is also substantially larger for girls: 55 percent (from 0.56 to 0.25), compared with a decline for boys of 44 percent (from 0.25 to 0.14).

As for accumulated schooling conditional on previous school enrollment, Mansuri finds that girls in migrant households complete almost two years more than girls in nonmigrant households, whereas boys complete only around one year more. This finding implies that boys are almost a full grade ahead of girls in their age cohort in nonmigrant households, whereas the school attendance of girls exceeds that of boys by 0.2 of a grade in migrant households. These effects are further strengthened if the sample is more tightly restricted by conditioning accumulated schooling on current enrollment.

The study by Acosta, Fajnzylber, and Lopez presented in chapter 2 examines the impact of remittances on the share of expenditures allocated to education. It finds that remittances have a positive impact on educational expenditures among middle- and upper-class households. In addition, remittances have a positive impact on educational spending on children in households with low parental schooling.

In the case of children, a perfect negative relationship exists between labor force participation and time spent in school (whether through higher enrollment,

more years of schooling, or both). Consequently, it follows from the findings of Mansuri in chapter 3, Cox-Edwards and Ureta (2003), Hanson and Woodruff (2003), and Yang and Martinez (2006) that migration and remittances reduce the labor force participation of children; their impact on girls is greater than that on boys. These findings are consistent with Pablo Acosta's results in chapter 4. Acosta shows that international migration and remittances reduce the labor force participation of girls. They reduce such participation only for boys below the age of 14. Remittances reduce the labor force participation of adult women and have no impact on that of adult men or boys age 14 and older. These findings suggest that international migration and remittances lead women to work more inside the home, thereby resulting in greater intrahousehold specialization.

A general finding that arises from the gender-specific studies in this volume is that the allocation of resources to daughters is more responsive to income shocks than the allocation of resources to sons. In other words, resources allocated to daughters tend to be the marginal resources, whereas those allocated to boys tend to be intramarginal and are therefore less sensitive to income fluctuations. Consequently, the positive income impact of migration and remittances on daughters' education and labor outcomes is typically much larger than that for boys.

How do these results compare with those from other studies in the literature? None of these other studies have examined the impact of international migration and remittances on child schooling at the level of detail of Mansuri's analysis in chapter 3. Studies have typically focused on years of schooling or enrollment though not on both and not on the other matters covered in chapter 3.[8]

In examining years of schooling, Hanson and Woodruff (2003) obtain a positive impact, though mainly for girls and only in households with low maternal schooling. The results confirm those of Acosta, Fajnzylber, and Lopez in chapter 2 and those of Yang and Martinez (2006). The results are also consistent with the idea that remittances help relax credit constraints in low-income households and raise children's educational attainment. Cox-Edwards and Ureta (2003) find that remittances have a significantly positive impact on school attendance, especially compared with other sources of income; Adams (2006) finds the same effect on educational expenditures.

Do Migration and Remittances Contribute to Health Outcomes?

The study by Acosta, Fajnzylber, and Lopez in chapter 2 also examines the impact of remittances on child health on the basis of detailed data from Nicaragua and Guatemala. The authors investigate the impact on health measures (weight for age and height for age) and inputs (child delivery by a doctor and vaccinations). They find that remittances received by households in Guatemala improve health

measures and inputs; all the effects are significantly different from zero. All the effects are also positive in Nicaragua, but only the doctor-assisted delivery input is significant. Another finding in both countries is that the impact of remittances on children's health is particularly strong for low-income households, which suggests that credit constraints may be important.

Chapter 3 also examines the impact of migration on two measures of children's health in Pakistan, namely, weight for age and height for age. Mansuri finds a large positive effect on both measures of child growth; gains for girls are larger than those for boys. Young girls in migrant households are taller than girls of the same age in nonmigrant households. Boys are taller than girls in nonmigrant households, but given that girls benefit more than boys from migration, girls in migrant households actually do better than boys in absolute terms. By splitting the sample into two age groups, Mansuri finds that the differential gender effect that holds for the younger girls is almost fully sustained among the older girls. On the basis of these results, she concludes that girls probably bear more of the household income risk than boys in rural Pakistan. Thus, migration can have positive growth effects that last later in the girls' life than in the boys' life. Mansuri obtains similar results for the weight-for-age measure. Girls from migrant households do better than those from nonmigrant households. Boys have a better weight-for-age score than girls in nonmigrant households, but the differential impact of migration more than compensates for this loss, so that the score for girls is higher than that for boys in migrant households.

Do Migration and Remittances Raise Investments in Capital Assets and Small Businesses?

Mansuri's study in chapter 3 examines the impact of migration on investment in rural Pakistan. She considers three types of capital investment—establishment of a nonfarm enterprise, purchase of major farm implements (tractors and tubewells), and purchase of agricultural land—and distinguishes between ongoing and completed migration episodes. She finds that migration has a significant negative impact on household nonfarm business investment that is entirely reversed once the migrant has returned. Thus, migrant households to which the migrant has returned are as likely to have a nonfarm business as nonmigrant households. Moreover, migrant households are as likely to invest in farm assets as nonmigrant households, and return migration has no impact on the result. Finally, migration has a large positive impact on land purchase, an impact entirely due to ongoing migration.

These results are consistent with those of Glytsos (2001), who finds that investment increases with remittances in the majority of the Mediterranean countries he

analyzes. Similar results are obtained by McCormick and Wahba (2003) for small enterprises in Egypt and by Woodruff and Zenteno (2001). The latter find that investment in microenterprises in urban Mexico—mostly for self-employment—is higher in states with higher migration rates and higher remittances.

What Is the Impact of Migration on Origin Countries' Birth Rates and on the Extent to Which Demographic Transition Has Been Attained?

The study by Philippe Fargues in chapter 5 provides an intriguing analysis of the relationship between the destination of international migrants and birth rates in migrants' countries of origin, a relationship that has been examined by neither economists nor demographers. Although it appears plausible to assume that international migration has had no impact on the total world population, Fargues posits the opposite. He contends that migration from developing countries to developed countries since the 1970s may have resulted in a world population that is smaller than the population that would have existed in the absence of international migration.

The reason is that most recent migration has been from high to low birth-rate countries. Migrants can affect their home countries' views on family structure, because they typically adopt ideas and behaviors prevailing in the destination countries and transmit them to their countries of origin. By transmitting ideas on demographic modernity, migrants are likely to contribute to the reduction of birth rates in their origin countries. On the other hand, if correct, the hypothesis suggests that migration to high birth-rate countries will lead to increases in birth rates. Fargues originally formulated this hypothesis in 1993, when large fertility surveys that became available in the late 1980s and early 1990s revealed surprisingly large cross-country demographic differences. Following Fargues (1993), Courbage (1995) offered a similar hypothesis, arguing that migration affected marriage patterns, which in turn affected fertility.

Fargues presents empirical evidence for his hypothesis from three source countries: Morocco and Turkey (from which most people migrate to Western Europe) and Egypt (from which most people migrate to the oil-rich Persian Gulf countries). Because destination countries in the West (Gulf) are more (less) advanced in their transition from high to low fertility rates than migrants' home countries, migration should help accelerate the transition to low birth rates in Morocco and Turkey and delay it in Egypt. Empirical evidence of a strong negative relationship between migration and birth rates among nonmigrants for Morocco and Turkey and of a positive relationship for Egypt supports these assumptions. Fargues

obtains similar results for cross-sectional analyses in Morocco and Turkey. Moreover, other data suggest that education—the single most important determinant of demographic transition—has been promoted by emigration in Morocco and Turkey but not in Egypt.

Transmission of modern demographic ideas could be thought of as a positive externality of international migration, because migrants contribute to human capital formation by transmitting new information to their communities in their countries of origin.[9] The hypothesis that migrants generate positive externalities may be true for other areas as well. For example, migrants to modern democratic societies might have a positive impact on social, economic, and political institutions in their home countries. The International Migration and Development Research Program will examine this hypothesis.

What Are the Impacts of Host-Country Regulations on Migrants?

Economic analysis has focused on the impact of migration on natives in developed countries and developing countries rather than on migrants, even though the latter constitute one of the three pillars—together with natives in source and host countries—on which the "win-win-win" strategy for sustainable migration relations rests. The International Migration and Development Research Program has undertaken studies of the situation of migrants in destination countries. Two of these studies are presented in part II of this volume.

One key question is what kind of migrants a specific migration policy attracts. Australia and Canada employ "points systems" wherein migrants are chosen on the basis of qualifications and are allowed to seek jobs once they enter the country. Other regimes, such as the U.S. H1-B program, explicitly require migrants to have a job offer before they are granted permanent residency. In chapter 7, John Gibson and David McKenzie use data generated by a specially designed survey in Tonga to study New Zealand's Pacific Access Category (PAC) policy, which explicitly requires potential migrants to obtain a job offer before they migrate to New Zealand. The aim of Gibson and McKenzie is to identify the types of migrants selected by the policy to apply for migration. They find that the policy selects people with large existing social networks in New Zealand, because these networks are crucial to potential migrants' ability to obtain a job offer. However, they also find that delays in applications processing prevent many migrants from taking offered jobs, thereby undermining the program's intent. Furthermore, most of the PAC migrants pick entry-level, low-skilled jobs in sectors with rapid turnover, such as construction and retail. These are sectors in which the migrants would easily have been able to find jobs on migration. Therefore, the program punishes people without existing family

networks in New Zealand and does not necessarily select people with relatively high human capital levels. The impacts of the New Zealand PAC policy, which requires *any* job offer, are likely to differ from those of the U.S. H1-B program, which requires firm sponsorship and relatively high skill employment.

In chapter 6, Dominique M. Gross focuses on Switzerland, a destination country with one of the highest immigration rates in the world. According to 2003 statistics, the migrant population makes up over 20 percent of the total population and, unlike the migrant populations of the United States and Canada, includes second and third generations. Historically, shortages of unskilled workers in Switzerland have created pressures in the labor market, which in turn produced political sentiments against migration. Since the 1960s, the Swiss government has had to balance demands for access to foreign labor with demands for immigration controls through a closely managed and relatively complicated quota regime. Initially, the government granted annual work permits to permanent residents, because it assumed that migrants would return to their home countries at some point. Most temporary migrants became permanent in practice, if not in legal terms. As the Swiss economy experienced expansions and contractions, the demand for migrant labor also fluctuated, and permit quotas were adjusted. During the economic crisis of 1974–76, Swiss immigration policies appeared to work, and many migrants voluntarily left Switzerland without increasing already-high unemployment. During the 1980s, the dynamics changed. Many migrants who received "established permits" after a 10-year stay began to bring their family members to Switzerland. These relatives were not subject to a quota regime. During Switzerland's 1990 recession, no exodus of migrants occurred, and unemployment levels rose. This situation triggered evaluation of Switzerland's immigration policies, which became more nuanced and began to differentiate migrants on the basis of their skill levels.

One interesting aspect of the Swiss experience is how migrants from different countries reacted to the revised policies. In the 1970–90 period, the majority of migrants were from member countries of the European Union (EU). After that period, the share of EU migrants steadily declined, especially as the economic environment in Greece, Italy, and Spain improved. However, by 2000, the share of the new European migrants was more than 50 percent due to Switzerland's signing of a free mobility agreement with the European Union.

In chapter 6, Gross considers migration to Switzerland from the former Yugoslavia since the agreement took effect. Previously, Yugoslav migrants represented a tiny share of Switzerland's migrant population. In 2003 they accounted for the largest portion (24 percent), despite immigration policies that discriminated against low-skilled workers, because they took advantage of Switzerland's family reunification policies.

The econometric evidence indicates that the key determinants of the migration patterns analyzed by Gross are relative incomes, the presence of a cultural network, and the unemployment rate. These factors are especially important for migrants from southern countries and became especially influential after 1995, when Switzerland's migration policies began to target skilled workers from southern countries. However, Yugoslav migrants appear to be less sensitive to financial incentives than other migrants from southern countries, probably because of political instability in the country of origin that encourages emigration.

What Determines Return and Repeat Migration?

Return migration is one of the most passionately discussed issues in immigration policy debates and one of the most studied phenomenon in theoretical models, yet empirical analysis in this area is scarce. Regarding determinants of migration, it appears even more difficult to establish "who returns" than "who emigrates." Selection effects are of particular importance, because the least successful migrants are expected to return home.

In chapter 9, Bernt Bratsberg, Oddbjørn Raaum, and Kjetil Sørlie use a unique individual longitudinal database to study repeat and return migration behavior of migrants in Norway. Their data cover all immigrant admissions between 1967 and 2003 and their employment history during this time frame. Their key finding is that more than 50 percent of the migrants had returned to their home countries by 2004, and most emigration occurred within three years. This finding probably indicates that migrants quickly learn their economic potential and social adaptability and therefore quickly decide whether to stay or return. Immigrants from member countries of the Organisation for Economic Co-operation and Development (OECD) are more likely to return to countries of origin than immigrants from non-OECD countries, because they have more attractive options back home. During the study period, 14 percent of migrants moved to a third country, and 15 percent came back to Norway, providing evidence of a large degree of circular migration.

The basis for admission to Norway proves to be among the most important determinants of overall migration behavior, including return and circular migration. Asylum seekers or family members who take advantage of reunification policies are least likely to return to their countries of origin. This phenomenon is related to conditions back home for asylum seekers and to the selection effect for family members. Because they are professionals, immigrants who arrived with work visas are most likely to return home. Migrants from less developed countries are the most likely to move to a third country, such as the United Kingdom

or the United States, because they view the move to Norway as the first step in making a new life in the West. As expected, economic and political conditions in Norway, as well as in the home country, are significant in determining migration patterns.

How Do Return Migrants Fare Relative to Nonmigrants with Similar Characteristics?

Theoretical papers on return migration abound (Galor and Stark 1991; Dustmann 1997; Dustmann and Kirchkamp 2002; Mesnard 2004), but empirical work on this topic is scarce. Moreover, most empirical studies do not focus on developing countries. Those studies that deal with developing countries have traditionally focused on the impact of savings accumulated during temporary migration on self-employment and entrepreneurship (Dustmann and Kirchkamp 2002; McCormick and Wahba 2001, 2003; Mesnard 2004). However, no study appears to have examined how temporary migration affects migrants' human capital and economic performance upon return home.

Chapter 8 by Jackline Wahba attempts to fill that void by examining the labor market performance of return migrants to Egypt relative to the performance of similar nonmigrant individuals. More specifically, Wahba studies the returns to overseas work experience in terms of the impact on migrants' wages on the migrants' return to Egypt. The impact on self-employment is not examined here; McCormick and Wahba (2001, 2003) address that topic. Because self-selection is likely to be involved in the decision to work for wages rather than to become self-employed, Wahba controls for this potential selection bias as well as for the one arising from the migration choice in the estimation of wages of return migrants and nonmigrants. Her findings provide strong evidence that temporary overseas employment results in a wage premium on migrants' return. On average, return migrants earn about 38 percent more than similar nonmigrants. Both the duration of migration and the length of time since return home have a positive impact on return migrants' wage premium, but the destination country has no impact on return migrants' wage premium.

Future Research

The studies in this volume address various issues in the migration literature and policy debate. These issues include data challenges, the impact of migration on various development measures (such as health, education, investment, and labor market participation), analysis of unique host-country policies, and return and circular migration. Several ongoing projects within the World Bank's International

Migration and Development Research Program are designed to generate original data through detailed household surveys (for example, in Brazil, Fiji, Ghana, New Zealand, Pakistan, and Tonga) that include an explicit migration module. One project is collection of detailed data on the impact of temporary migration from Kerala, India, and Sri Lanka to the Persian Gulf countries. Another project is expansion of the global brain-drain database, which provides bilateral brain-drain data for nearly 200 countries and three levels of educational attainment for 1990 and 2000. The database will include data from earlier periods, data on gender dimensions, and information on migrants who completed their education in the country of origin and those who completed it in the destination country. Related to brain-drain work is the creation of a bilateral medical brain-drain database and its use in an analysis of the relationship between medical brain drain and various health outcomes in developing countries, such as the spread of HIV/AIDS in Sub-Saharan Africa. Yet another project is analysis of the impact of various permanent and temporary migration schemes (including guest worker programs and the temporary movement of service providers under Mode IV of the General Agreement on Trade in Services) on the welfare of host and source countries.

The next volume to emerge from the International Migration and Development Research Program will focus on the gender dimensions of international migration. Future volumes will present the research noted above.

Notes

1. Due to unrecorded remittances flows, particularly informal ones, the true size of these flows is likely to be significantly greater. On the other hand, part of the measured increase in remittances flows may be due to an improvement in the accuracy with which these flows are recorded.

2. The Global Migration Forum (GMF) is planned to serve as a platform for the presentation of individual countries' concerns as well as of analyses and potential solutions to some of the problems in this area. The first meeting of the GMF was sponsored by the government of Belgium and took place in Brussels in July 2007.

3. The program has many focus areas. The main ones are (1) the determinants of migration and remittances and their impact on development indicators, including poverty and inequality, investment in human and physical capital, entrepreneurship, labor force participation, and entry into capital-intensive activities; (2) the brain drain; (3) temporary migration, including Mode IV of the General Agreement on Trade in Services; and (4) the relationship among migration, trade, and foreign direct investment. Additional research is being conducted in various areas, including the situation of migrants in receiving countries, the economic and social impact of return migration, the impact of remittances on macroeconomic stability, the impact of migration on institutions in the country of origin, the impact of the brain drain on growth, and the medical brain drain and its impact on HIV/ AIDS.

4. Part I of the first volume examined the determinants of international and internal migration as well as the impact of migration and remittances on poverty and a number of development outcomes—including education, health, housing, entrepreneurship, and child labor—in Mexico, Guatemala, and the Philippines. Part II consisted of four brain-drain-related studies. These studies presented the largest brain-drain database to date, an analysis of the brain gain in source countries, the possible brain

waste of educated migrants in the United States, and the impact of these migrants and foreign students on U.S. technological progress.

5. Only the United Nations collects global data on international migration; however, until now it has only provided the total migrant stock for each country. It provides no data on bilateral stocks.

6. The first two versions of matrixes are available on the Web site of the Development Research Centre on Migration, Globalisation and Poverty at www.migrationdrc.org/research/typesofmigration/global_migrant_origin_database.html. The other two versions are available to researchers by request to the same center. Version 4c only, aggregated to a 87 × 87 matrix, is available at www.gtap.agecon.purdue.edu/models/labor_migration.asp.

7. Migration among the countries formed after the breakup of the Soviet Union accounts for approximately 10 percent of total migration but is not included in these calculations. Overnight the breakup produced millions of additional international migrants, without actual movement of people, as new boundaries were drawn and new nationalities were created.

8. Some studies have examined the impact on educational expenditures, that is, on one of the inputs rather than on a measure of output.

9. On the other hand, by retarding the transition to low birth rates, migration to more conservative, high birth-rate countries may generate negative externalities.

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