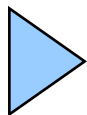


International Migration and Development:

Issues and Implications for Operational and Policy Work

Çaglar Özden and Maurice Schiff



What does research tells us about the impact of international migration on:

(i) Development outcomes:

- **Poverty**
- **Education**
- **Health**
- **Investments**
- **Return migration**

(ii) Fertility rates

Preliminary policy implications

Available information for use by operational units

Poverty

Country	Authors	Effect
Nepal	Lokshin, Bontch-Osmolovski, Glinskaya (2007)	<p>20% of the poverty reduction between 1995-2004 is due to</p> <ul style="list-style-type: none"> - increased international work-related migration and remittances. - Internal migration also played an important but smaller role.
Lesotho	Gustafsson and Makonnen (1993)	<p>Setting remittances to zero would lead to</p> <ul style="list-style-type: none"> - 26% increase in poverty headcount; - 52% increase in poverty gap; - 32% decline in per capita household consumption.
China	Taylor, Rozelle and de Brauw (2003)	<p>Internal migration:</p> <ol style="list-style-type: none"> 1. Rural households lose (remittances < farm income loss) 2. Rural households gain (per capita income increases by 16% to 43% once adjustment is made for change in household size) <ul style="list-style-type: none"> - Calculations based on somewhat ad hoc assumptions.
Albania and Ghana	Schiff (2007)	<p>Changes in household size must be taken into account in analysis of migration's poverty impact: doing so raises the impact by:</p> <p>Ghana: 2.6 to 4.4 times; Albania: 1.1 to 2.5 times (different measures)</p>
12 LAC countries	Fajnzylber and Lopez (2007)	<ol style="list-style-type: none"> 1. Poverty rates in migrant households < in the general population. 2. Poverty levels based on a \$2 poverty line: <ul style="list-style-type: none"> - Peru: 16% (national), 1% in remittance recipient households; - Nicaragua: 27% (national), 13% in remittance recipient households .

Education

Country	Authors	Effect
11 countries in LAC	Acosta, Fajnzylber and Lopez (2007)	<p>Children from remittance receiving households are</p> <ul style="list-style-type: none"> - more likely to stay in school (Mexico is an exception). - 12 to 17 percent higher enrollment rates for recipient households in Nicaragua, Guatemala, and Honduras.
Mexico	McKenzie and Rapaport (2006)	<p>Chances of boys completing junior high school and of boys and girls completing high school</p> <ul style="list-style-type: none"> - lower in migrant households as schooling return negligible or nil; - negative impact is smaller for younger girls with low-educated mothers, consistent with remittances relaxing credit constraint for education investment for the very poor.
Pakistan	Mansuri	<p>Migrant versus non-migrant households</p> <ul style="list-style-type: none"> - 54% higher enrollment rates in for girls, 7% for boys. - 55% lower dropout rates for girls, 44% for boys. - 1.5 more years of schooling for girls, 1 year for boys.

Health

Country	Authors	Effect
Mexico	Lopez-Cordova (2005) (community-level study)	- Infant mortality rates fall with the proportion of migrant households and remittances at the community level
Mexico	Hildebrandt and McKenzie (2004) (household-level study)	<p>Infants in international migrant versus no-migrant households:</p> <ul style="list-style-type: none"> - 3 % less likely to die in their first year; - weigh 360 grams more; - Higher maternal health knowledge; - Higher likelihood that children are delivered by a doctor; - Less likely to receive preventive health care (visits to doctors, vaccinations, breastfeeding)
Tonga-New Zealand corridor	Gibson, McKenzie and Stillman (2007)	Migration leads to improved mental health, particularly for women and those with poor mental health in their home country.
Pakistan	Mansuri (2007)	<p>Young children from migrant households have</p> <ul style="list-style-type: none"> - higher weight-for-age and higher height-for-age scores - these gains are sustained as children grow older.
Nicaragua and Guatemala	Acosta, Fajnzylber and Lopez (2007)	<p>Children from remittance recipient families have</p> <ul style="list-style-type: none"> -higher weight-for-height and height-for-age scores. - Higher likelihood of doctor-assisted births in Nicaragua.

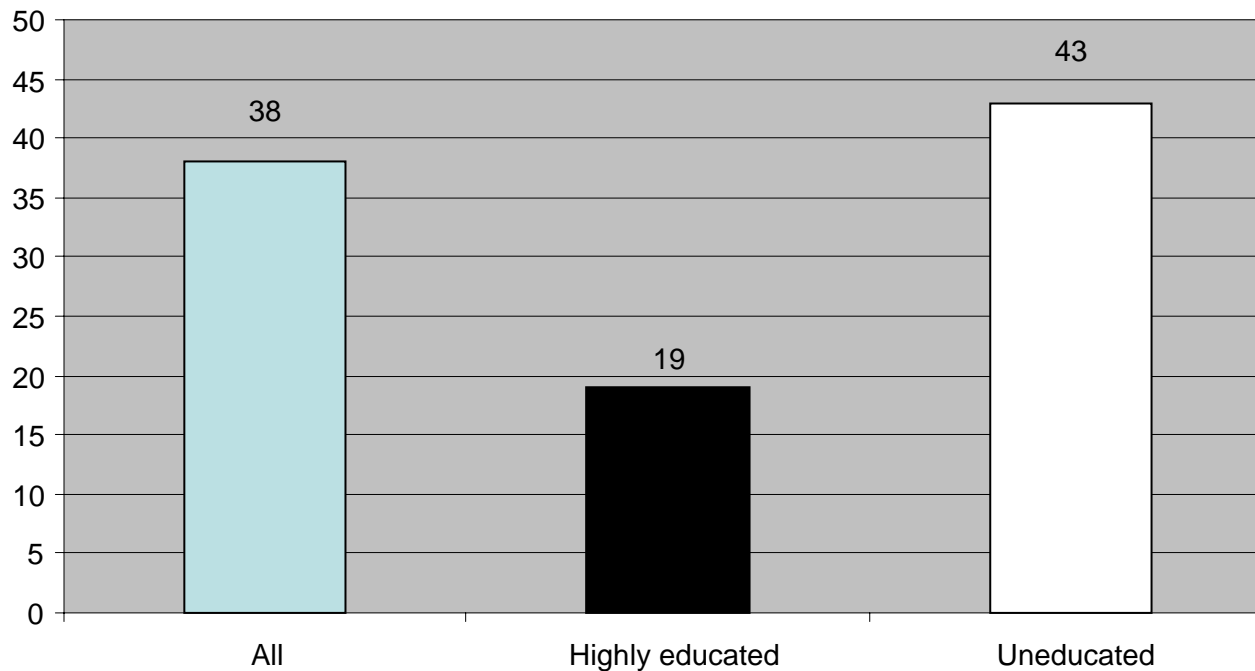
Investment

Country	Authors	Effect
Philippines	Yang and Marinez (2007)	<p>Unanticipated increases in remittances lead to</p> <ul style="list-style-type: none"> - increased entrepreneurship, - greater entry into capital-intensive enterprises - more hours worked in self-employment in migrant households.
Mexico	Woodruff and Zenteno (2001)	<p>States with higher migration rates and higher remittances have</p> <ul style="list-style-type: none"> - Higher investment levels in small enterprises
Pakistan	Mansuri (2007)	<p>Migrant households have</p> <ul style="list-style-type: none"> -lower investment rates in non-farm enterprises, farm assets and agricultural land while migrant is away; -Higher investment rates in the three assets once the migrant returns.
Albania	Kilic, Carletto, David, Zezza (2007)	<ol style="list-style-type: none"> 1. <i>Past</i> migration experience <ul style="list-style-type: none"> - raises the probability of household owning a non-farm business; - by 7% (over 30%) with additional year in Greece (Italy and beyond); 2. <i>Recent</i> migration experience (2001-2004) <ul style="list-style-type: none"> - does not raise probability of household owning a non-farm business, suggesting recent migrants are yet to attain a target level of savings and skills in order to successfully establish a new business upon return.

Return Migration

Country	Authors	Effect
Egypt	Wahba (2007)	Compared to non-migrants, returning migrants in salaried jobs earn - 38% more on average; - 43% more for uneducated workers; - 19% more for highly educated workers.

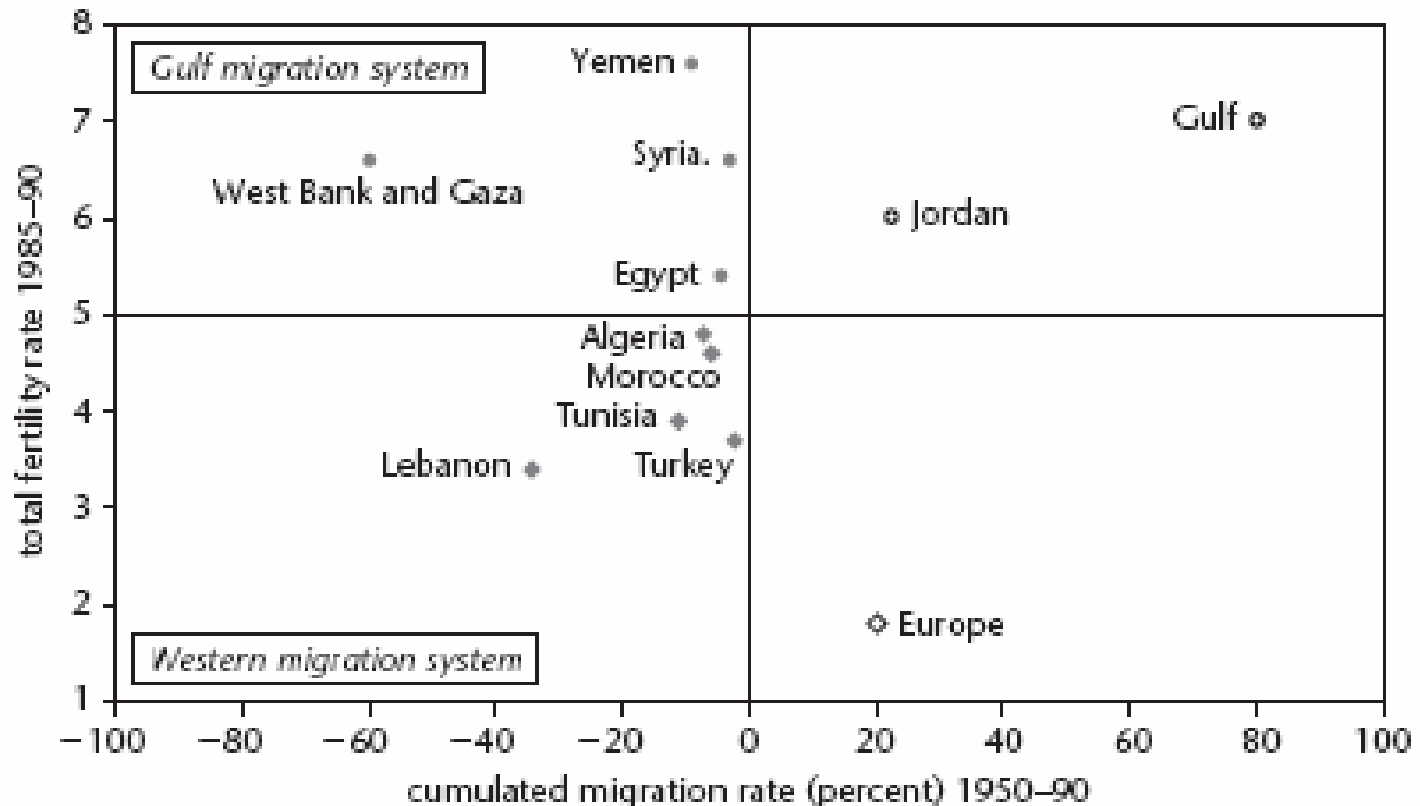
Percent wage gap between return migrants and non-migrants



Source: Wahba (2007)

Fertility rates are lower in countries whose migration is to the West than to the Gulf

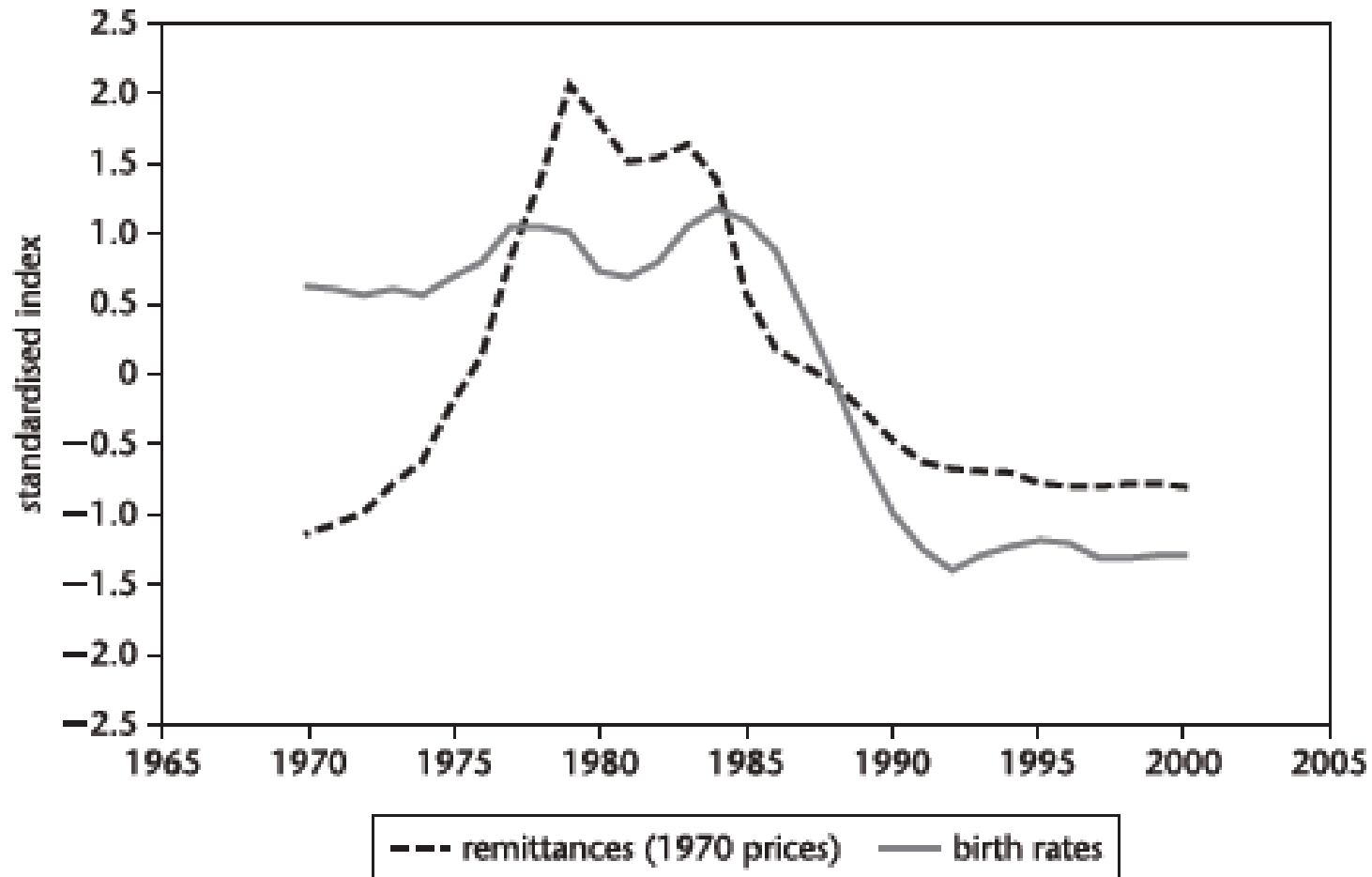
Migration and Fertility in the Middle East and North Africa



Source: Fargues (2007)

A comparison between Morocco and Egypt over time reveals strikingly different impacts of on fertility rates

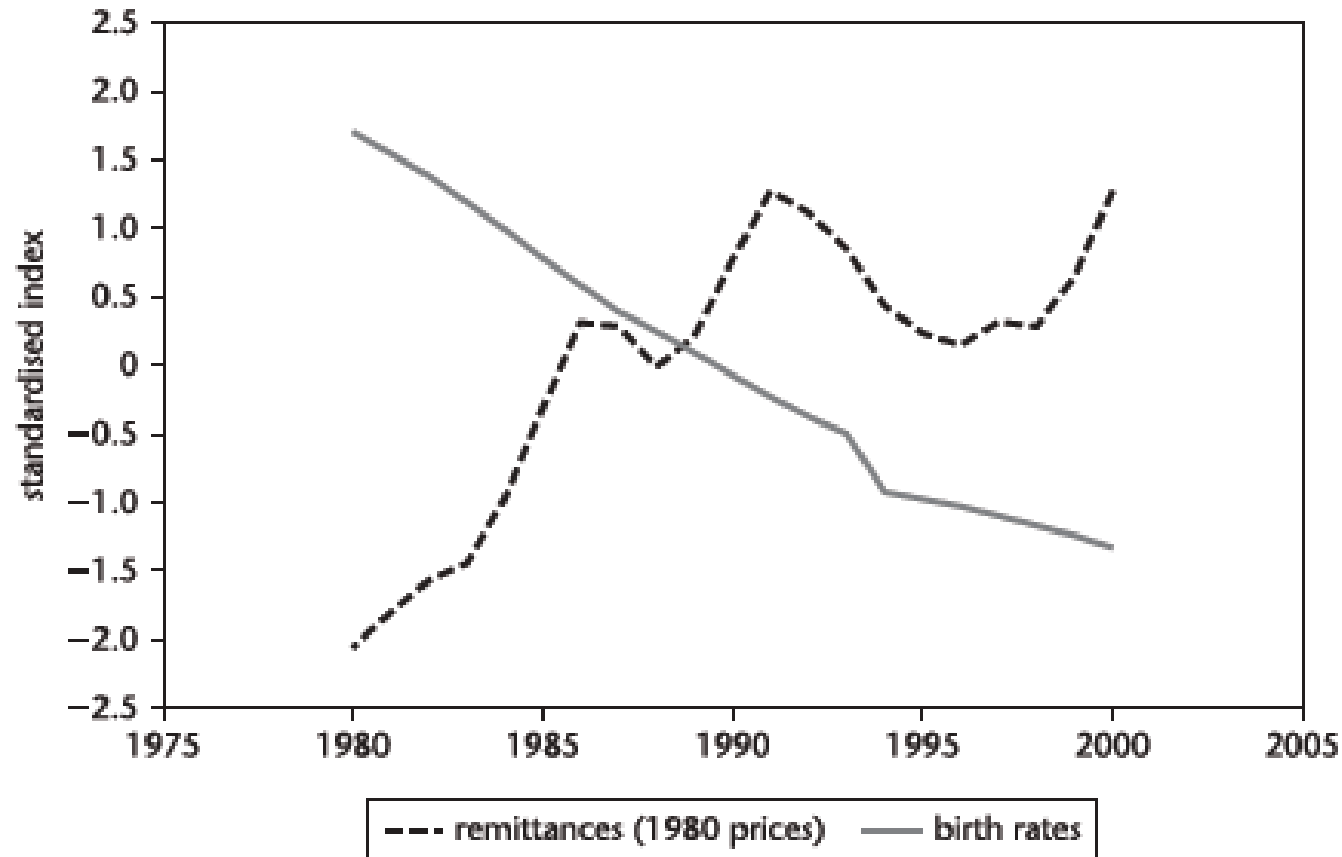
Remittances and birth rates in Egypt (Gulf migration system) Correlation=0.623



Source: Fargues (2007)

A comparison between Morocco and Egypt over time reveals strikingly different impacts on fertility rates

Remittances and birth rates in Morocco (European migration system) Correlation=-0.741



Source: Fargues (2007)

Conclusions on Fertility Impacts of Migration

Migration induces cultural, social and economic change which affects migrants' reproductive behavior.

Since migrants are conveyors of values and ideas (and media focus on host countries rises with migration), non-migrants in the countries of origin also react to changes induced by mobility - *same result found across municipalities as over time.*

**If most migration is from higher to lower-fertility countries:
*International migration might produce a global decrease in fertility.***

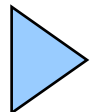
**If migration has the potential to change reproductive behavior:
*Migrants might be agents of change in a wider range of personal and civic attitudes and behaviors.***

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Preliminary policy implications

Available information for use by operational units

Preliminary Policy Conclusions

Impact of migration

Taking the positive externalities of migration into account is likely to improve economic and social policy analysis (regarding education, health, physical capital investment, poverty reduction, and more)

Policy design

Given these positive externalities, policy-makers might want to consider migration policy as a complementary tool for attaining its objectives

Return migration

Policies that facilitate and enhance return migration are likely to generate positive development impacts. These policies include: reinsertion of migrants in the home country job market, improving information on the skills migrants obtain abroad and on work opportunities at home. These policies might be considered as part of policy reforms designed to improve the functioning of the domestic labor market

Preliminary Policy Conclusions

Public investment in education

Many source countries subsidize higher education at home, with some graduates emigrating for further study (often funded by host or home country sources). These countries might consider requiring that these migrants return at some point and spend a given amount of time at home. Host countries could help with this (e.g., by providing visas where these conditions are explicitly stipulated)

Negotiation

Return (and circular) migration policies should be an integral part of bilateral (or regional - e.g., with the EU) migration negotiations, particularly for skilled labor

Demographic policy

Countries intent on reducing high fertility rates might want to obtain greater access for its migrants in their negotiations with low-fertility countries, as part of its overall reproductive health program

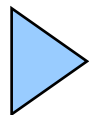
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What information is available for operational units?

HOUSEHOLD SURVEYS WITH MIGRATION MODULE

Name of dataset	Contact Person	Year
Brazil-Japan Corridor	David McKenzie and Johan Mistiaen	2006
Ghana Living Standards Survey 5	Richard Adams	2005/06
Pacific Island-New Zealand Migration Survey	David McKenzie	2005
LSMS Albania	Gero Carletto	2003, 2004, 2005
Kerala Migration Survey and South Asia Migration Study (covering Kerala)	Caglar Ozden and Jinu Koola	1998, 2003

What information is available for operational units?

GLOBAL DATA BASES

Name of dataset	Authors	Covered time period	Description
Brain Drain Database	Doquier and Marfouk (2006)	1990, 2000	Provides South-North and North-North bilateral migrant stocks in 1990 and 2000 for 195 countries and three levels of education
Brain Drain Database with age of entry	Doquier, Marfouk, Rapoport (2007)	1990, 2000	Extend Doquier and Marfouk (2006) to migration rates by age of entry (= brain drain of those who finished studies in the home country).
Brain Drain Database by gender	Docquier, Lowell, Marfouk (2007)	1990, 2000	Extends Doquier and Marfouk (2006) to gender-disaggregated brain drain.

What information is available for operational units?

DATA

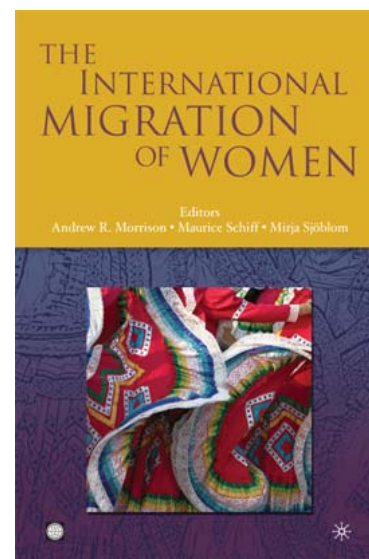
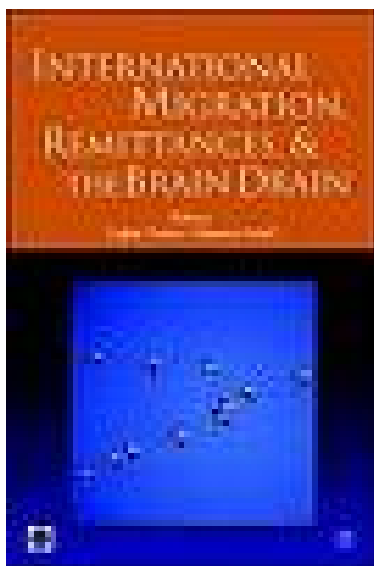
Name of dataset	Authors	Covered time period	Description
Measuring the migration of physicians	Bhargava and Docquier (2006)	1991-2004	Dataset on South-North and North-North bilateral migration of doctors for 192 source countries.
Global Migration Database (including South-South migration)	Parsons, Skeldon, Walmsely and Winters (2007)	2000	The dataset includes a 226x226 matrix of bilateral migration stocks by country. The dataset is currently being extended to gender, age group, and back into the past

What information is available for operational units?

WORKING PAPERS

<http://www.econ.worldbank.org/programs/migration>

BOOKS



The End

Questions?

Suggestions for future work?

Comments?