The Age of Mobility: Can we make migration work for all?

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It is tempting to say that the economic crisis has "changed everything." Public finances have been dealt a sharp blow. The job market is in turmoil, with unemployment reaching or exceeding quarter-century peaks in the developed world. A disruption like this can cause paralysis in public policy, especially in complex areas such as migration. The aim of this article is to focus on issues that will demand our attention and our investments over the next few years in order to overcome any such possible paralysis. It begins by highlighting a few of the more relevant and interesting trends related to migration. It then offers a survey of the current state of migration policy on the international stage, focusing on the recent marriage of migration and development, one of the most promising advances we've witnessed in international relations over the past few years. This has helped foster relationships of understanding and trust between countries that once considered themselves to have competing agendas in the migration game, and might now offer a crucial means of managing migration tensions that could otherwise boil over. The second part of the article offers some ideas for future policy. As we endure a deep recession, the cohesion of our societies will face new challenges, and those on the margins—especially immigrants—will be subject to greater discrimination. We need to use this opportunity to embrace the realities of immigration by reshaping our institutions so that they address the needs of our diverse, 21st century societies.

Some demographics

Before focusing on the latest trends in population growth, an important caveat is necessary. Demographic projections can be as harmful as they are helpful, since they can be spectacularly wrong. Even in the most stable of times, they are unreliable; when a disruption as enormous as the current economic crisis occurs, they can be risible.[1]

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<tbody>
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<td>Western Europe</td>
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Current birth rates give a more indicative picture. In much of the West today, we have experienced a generation of fertility rates below the replacement level of 2.1 children per woman. The rates in several countries in southern and eastern Europe have dipped to nearly half the replacement rate — those countries will see their populations shrink by up to a quarter by 2050, because of a phenomenon known as demographic momentum. There is nothing that can be done to stop this slide, short of migration.

Overall, the European Commission is now estimating that the working-age population of the EU will start to shrink in 2013. By 2050 (assuming an influx of 50 million new immigrants) there will be 40 million fewer people in the EU workforce, while life expectancy is set to rise by five years. The impact on our welfare systems will be massive, with the dependency ratio halved, from four workers for every retiree, to two by 2050. For example, for Germany to maintain its current social welfare structure and dependency ratio, it will have to welcome 3 million new immigrants annually between now and 2050. The decline in birth rates is not unique to the West. In South Korea, the fertility rate is 1.1, in Japan, 1.3, and in Shanghai it has fallen to almost 0.9.

Even assuming Western countries do their best to boost the working population through non-migration measures (increasing the workforce participation rates especially of women and minorities; raising the retirement age; promoting larger families) migration will certainly be a major part of the policy mix. Between now and 2020, the European Commission estimates that 100 million new job openings will occur in the European Union — 80 million of which will be created by the retirement of baby boomers. The vast majority of the positions will be either at the high or low end of the skill spectrum.

When considering the implications of this, it is worth keeping in mind the role of education. For example, many have heard of the so-called African ‘youth bulge,’ and projections of an African population of 2 billion by 2050. What is less well known is that if education systems in sub-Saharan Africa produce students at the global trend level, by the same year there will be 500 million working-age sub-Saharan Africans with a secondary education or higher. It is worth considering where these well-educated individuals will look for work. By contrast, in Europe today there are 350 million working-age individuals, a number that will fall below 300 million in the next 40 years.
These trends are occurring in tandem with a fierce rising battle to attract students to tertiary institutions from all over the world. This is, in part, because education is an industry, a massive one, and it is on a constant hunt for clients. But educational systems are also used either deliberately or as an unintended byproduct to attract future skilled workers. The competition to educate future engineers, doctors, IT workers is intensifying. Japan, for example, has set a goal of attracting 1 million new students, while China is investing $4 billion annually and is set to become the number two research destination in the next decade. Paradoxically though, while countries in the West compete vigorously to endow students with skills, they are astonishingly inept at putting them to use. A recently released study in the US showed that 22% of high-skilled immigrants work in low-skilled jobs, while another 22% toil in semi-skilled jobs. This is, essentially, the worst of all possible worlds: we have brain drain in sending countries and brain waste in receiving countries.

**Migration and Development**

One of the most important developments of the last decade has been the marriage of migration and development at the highest levels of international policy-making. This has gone a long way towards opening up the possibility for civilized discourse and fruitful cooperation among countries of origin and destination. Of course, migration has always been at the heart of the development narrative. Money sent home by workers abroad has built houses, churches, and hospitals; underwritten educations; financed revolutions; and paid for basic daily expenses since ancient times. There are countless examples, near and far, of how pivotal remittances have been in the political, economic, and social development of our nations. [2]

However, today, governments are also factoring in the development impact of migration as they fashion policies across a range of disciplines. This has put countries of origin, destination, and transit on a more level playing field. Over the past few years, the European Union in particular has come to the realization that if it wants to achieve core goals such as fostering economic growth, thwarting illegal migration and human trafficking, and promoting development, it can only do so in cooperative relationships with countries of origin.

The developing world, meanwhile, has moved beyond a discourse distorted by notions of brain drain and other grievances and gained a keener understanding of how its migrants abroad might be of benefit. The developing world has also realized its own interest in ensuring that migration takes place in a safe, orderly fashion, outside the control of smugglers and traffickers. Furthermore, many countries today are both countries of origin and destination: nearly half of today’s international migrants have gone from one country in the south to another—such as the rush of workers from the Philippines and Southeast Asia to the Gulf states. Poland, meanwhile, has spent the past year seeking workers from China, India, and Vietnam—making it an example of a new-style hybrid immigrant sending and receiving country.

**Migration and remittances**

The subject of remittances increasingly tops the agenda when countries meet to discuss issues around migration. Their vast scale makes them the 800 pound gorilla in the room. Worldwide, $265 billion flowed to developing countries through remittances in 2007, surpassing official global development aid by 60 percent, according to the World Bank. If unrecorded remittances were included, the sum would be much higher. Even though the economic crisis has caused remittances to decline significantly in recent quarters, and into the first half of 2009, they still represent a massive force.

The remittance story at the national level can look quite dramatic. Remittance receipts in Moldova and Tajikistan exceed one-third of their GDP; the Philippines, Honduras, Guyana, Jordan, and Lebanon each generate the equivalent of more than one-fifth of their GDP from remittances. Meanwhile, India, China, and Mexico each benefit from over $25 billion annually in official remittance receipts. In all these places, this income is very important in terms of direct poverty reduction, and in some cases it is becoming a major pillar of development strategy.

Remittances are one of the success stories of international cooperation on migration. A few years ago, the fees charged to migrants by financial institutions for sending money home averaged more than 10 per cent, [3] takings tens of billions of dollars every year out of the hands of the poor. Today, fees have fallen by over half, as countries have worked together to remove regulatory barriers that kept fees high, in order to stoke competition among providers, and to apply moral pressure on financial institutions. There have been other, related advances as well. One of the most promising involves the transfer of remittances via mobile phones, already in the trial stage, which promises to improve the ease and speed of
sending remittances, while further lowering their costs.

Many countries and private sector institutions, meanwhile, are exploring how the practice of sending and receiving remittances can be leveraged to bring banking services to the “unbanked.” Remittances are mostly used to support daily consumption needs, invest in education and health care, and pay off debts. The lack of savings and investment, however, is not simply caused by the absence of leftover funds once these basics are covered. Remittance recipients often lack access to financial services that suit their modest circumstances and often remote locations. Investment is constrained in many places by obscure property laws, corruption, lack of transparency in taxation, over-regulation of simple business transactions, and similar problems of governance. Therefore, helping those without access to financial services benefit from low-interest microfinance loans, savings accounts, and other investments is a promising policy area.

Wealthy migrants and their heirs enjoy other advantages, too: They have access not only to their own capital, but are more easily able to borrow funds from banks, leverage their own investments from venture capital funds, and use their own success to persuade others to join them as investment partners. Networks of diaspora entrepreneurs also help expand the reach of individual investors. One prominent example is TiE-The Indus Entrepreneurs, a group founded in Silicon Valley in 1992 by successful entrepreneurs and professionals with roots in the Indus region, which is the world’s largest not-for-profit organisation for entrepreneurs today. TiE is also known as “Talent Ideas and Enterprise” and includes 12,000 members of over 52 chapters in 11 countries. Another similar effort is ChileGlobal, an international network of successful Chilean business owners, executives, and others living abroad who work together to contribute to Chile’s economic development.

However, perhaps the biggest change generated by our growing understanding of remittances over the past decade has been its very broad and salubrious effect on the attention paid by governments to their diasporas. Of course, a few countries have long had a structured relationship with their migrants abroad. For a raft of others however, there has been a veritable explosion of attention in the past few years. India, for example, only established a Ministry for Overseas Indian Affairs in 2004, and Serbia, Syria, Haiti, and Armenia have also recently created similar dedicated ministries.

Some countries opted for more innovative institutional structures. Instead of creating a separate diaspora ministry, they combined diaspora with other sectors, such as labor, tourism, and foreign affairs. For instance, in 1999 Benin created the Ministry for Institutional Relations, Civil Society and Béninois Abroad; this was followed a year later by Mali with the creation of the Ministry of Malians Abroad and African Integration. Other countries have institutionalized diaspora engagement at the sub-ministry level by creating special offices, typically under the Ministry of Labor and foreign affairs. One of the earliest examples is in the Philippines. In 1981, the government created the Overseas Workers Welfare Administration, an agency under the Department of Labor and Employment tasked with protecting Filipino migrant workers by providing various services, from repatriation to livelihood loans.

Other offices at the sub-ministry level have diversified their portfolio by adopting initiatives that facilitate participation in development activities at home. For example, several years ago the Mexican government appealed to migrants to fund infrastructure projects in their regions of origins by sending remittances through collective institutions called hometown associations, which bring people together based on a common place of origin in the home country. [4] These are the vehicles of choice for development cooperation between migrant communities and governments in El Salvador, Ghana, Mali, Mexico, and the Philippines, to name just a few.

Many of the projects undertaken by these associations and their equivalents are one-time infrastructural improvements—installing street lights, paving roads, building schools, clinics, churches, and community centers. Others are ongoing. Mexico has primed the collective remittance pump by creating a 3-for-1 program, in which every dollar remitted for such development projects is matched with a dollar each from the federal, regional, and local governments. In Morocco, rural electrification cooperatives financed by Moroccan immigrants to France have supported the industrial development of an entire region. Destination-country governments are also experimenting with matching-fund programs. Norway’s “Pilot Project Pakistan” will match diaspora contributions to development projects with equivalent sums from Official Development Assistance. USAID has a similar Diaspora Fund for development in Haiti, and France augments some
contributions to Mali with ODA funds. Businesses also are taking part in such programs: Western Union recently transformed Mexico’s 3-for-1 program into a 4-for-1 initiative by adding a fourth matching dollar for selective projects focused on job creation—like a dairy on the outskirts of Mexico City.

<table>
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<tr>
<th>Region</th>
<th>Total Remittances 2007 (Billion USD)</th>
<th>As % of GDP (2007)</th>
<th>%Growth</th>
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<tr>
<td>East Asia and Pacific</td>
<td>65</td>
<td>1.6</td>
<td>6.6</td>
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<tr>
<td>Europe and Central Asia</td>
<td>50</td>
<td>1.8</td>
<td>5.4</td>
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<tr>
<td>Latin America and Caribbean</td>
<td>63</td>
<td>1.8</td>
<td>0.2</td>
</tr>
<tr>
<td>Middle East and North Africa</td>
<td>31</td>
<td>4.5</td>
<td>7.6</td>
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Source: World Bank

Governments in countries of origin have also focused on encouraging integration in the destination country abroad. A good example is Mexico’s Institute for Mexicans Abroad, a decentralized body of the Ministry of Foreign Affairs created in 2003 to raise emigrants’ standard of living abroad. It provides an array of services, from financial counseling to information about scholarships for education. Its website also provides information about sending remittances to Mexico, the 3-for-1 investment matching program, and how to find consular support, among other issues. Chile’s Office for Chileans Abroad, meanwhile, has a more explicit development mandate. Created in 2001, its main purpose is not only to attend to the “demands and needs of communities of Chilean residents abroad,” but also to “encourage their participation in national development.” Similar agencies exist in Ethiopia, Albania, and other countries.

These groups, like more formal institutions, work on a range of issues: from developing ways for migrants to transfer their knowledge, to advocating for the recognition of foreign credentials; building capacity for public officials to engage with the skilled diaspora; organizing diaspora delegations and scientific conferences; supporting the creation of diaspora professional and alumni associations; involving diasporas in parliamentary committees and government task forces; and developing means to recognize diaspora contributions. They also work with governments to reach specific segments of diasporas: For instance, the Birthright Israel and Know India programs seek to draw in the 2nd and 3rd generations of emigrants from those respective countries into their social, cultural, and economic life. Other programs target scientists, entrepreneurs, and philanthropists.

This explosion of interest in migration and development is fundamentally changing the discourse among states. There is increasing rhetoric about the promotion of development by strengthening the links between diasporas, countries of origin, and destination countries. The implicit assumption is that these are goals that must be pursued by governments of origin and destination in tandem—and largely financed by the latter. The EU has been at the forefront of this shift in tone and substance—which is captured in a policy that Brussels has called the “Global Approach to Migration.” Rather than strong-arming origin countries, the Global Approach acknowledges the joint responsibility of the EU and third countries to work together to foster economic development and manage migration. The main tool of this policy is what Brussels calls a “mobility partnership,” an idea that launched in 2008 and is still in the pilot phase. Of course, it would be foolish to think that this new perspective will eliminate all the pathologies our societies harbor about migration. There will always be racism. Xenophobes will always build walls to keep the other out. However, each time they build a 50-foot wall, innovation will defeat it with a 51-foot ladder.
Migration policy at home

So, if in these times of crisis, focusing on migration and development can help keep a steady keel in the realm of international relations, what can serve a similar role in recipient country policy? The challenge of “integrating” immigrants should always be at the top of the domestic policy agenda.

Investments in the integration of immigrants might not be popular, but are more essential than ever. In recent years, concern about immigration has crystallized around the question of whether multicultural policies have failed. Critics argue that national identity and social cohesion have been sacrificed. In much of Europe, as well as in Canada and Australia the tide has shifted. Instead of a multicultural ethic of asking what can be done for immigrants, countries are now asking what newcomers must do to fit in. Integration courses and exams for residency and citizenship are proliferating. This urge to recognize and foster conformation to a national identity is due to the pressures of globalization and the threat of terrorism. Muscular monoculturalism has become a mainstream ideology. Integration is, now, mostly discussed as a burden on immigrants. They must learn the language, adopt traditions, and respect the laws of their new countries. There is of course truth to this, but there are also other ways to think about the issue.

Integration should not only be about assimilation, but also about enabling those people who arrive in countries to become who they want to be, through education, employment, and through participating in the political and social institutions of their host countries. Such openness is at the heart of the ability of liberal democracies to compete in the 21st century; those countries that are recognized as societies in which people can realize their ambitions will attract the best and brightest. If we think about integration in this light, then the burden of responsibility becomes more evenly distributed. Immigrants must make real efforts to work hard and respect laws, but destination countries should also ensure level playing fields, that access to schools, to public services, to employment, and to political representation are fair and equal. This demands a reconsideration of existing institutions, as well as attitudes about national identity in the host countries.

In thinking about the future, we need to know what is not attainable. Cultural homogeneity is no longer possible. This is not because of immigration alone, but because of the revolutions in communications, transportation, and commerce. Nor does this mean that culture will weaken. The internet and globalization are tools that strengthen and spread cultures. This does not suggest that immigration should be permitted to undermine values or rights in the host country, but it does mean that local communities cannot expect to live in cultural isolation. As the philosopher Anthony Appiah writes: ‘ Cultures are made of continuities and changes, and the identity of a society can survive through these changes. Societies without change aren’t authentic; they’re just dead.’

Rethinking existing institutions

Multiculturalism needs to be rebalanced with policies that draw all residents into society. The parts of multicultural policy that should be protected are those that allow and encourage all citizens to express their identities as equals. In thinking about the future, we should focus on creating shared experiences. In this regard, four possible ‘pillars’ might be identified – education, politics, employment and citizenship.

The first pillar centers around the make-up, quality and curriculum of schools, where ethnic polarization is an increasing concern. Why should we care? The evidence shows us that greater segregation leads to lower employment, lower earnings and lower education participation. Different schools for different groups also usually lead to different quality, so those who go to lesser schools have their prospects defined not by their ambitions or skills, but by their ethnicity. Studies show that when children don’t mix, it becomes more difficult for them to make friendships across racial divides as they get older.

Solving this might be the most vexing riddle we face, since it is tied to segregation in housing and to economic inequality. Nevertheless, there are parts of the school experience that can be shaped more easily.

- **Early schooling**: Governments must ensure access to schooling for all residents as early as age three. Research around the world is telling us that perhaps the single most important factor in leveling the playing field for the children of immigrants is to provide language tuition at a very early age.

- **Curriculum that reflects diversity**: Educational bodies must make sure the curriculum, especially in social studies, reflects the diversity of our societies. Unless everyone has an understanding
about everyone else’s lives, we will not be able to get along.

- **Civics**: Governments must rethink how we teach civics and citizenship in our schools. We can no longer approach this task passively. We have to train children not only in how their societies are run, but also in how to think freely. Democrats are made, not born.

- **Discrimination**: Universities must eliminate any and all forms of bias in entry to higher education. Throughout much of the West, ethnic minorities are under-represented—and this under-representation is not the result of ability.

Second, while schooling is the sine qua non of creating a cohesive society, politics is almost equally important. It is through politics that a society’s laws, norms, and traditions evolve; unless newcomers are drawn into the political arena, our norms and traditions will not evolve to reflect today’s society, and newcomers will feel increasingly alienated. So it is vital that we find ways to give immigrants a political voice. There also are more immediate ways to bring immigrants into the political process. Political parties could, for instance, actively seek members in ethnic neighborhoods. Political incorporation will also require a conscious effort on the part of immigrants.

The third pillar of cohesion is the job market. There is nothing more subversive to a person’s sense of self-worth than long-term unemployment. Newcomers’ dependence on social security, meanwhile, is one of the main drivers of anti-immigrant sentiment. And, outside of school, the workplace is where social relationships across boundaries are most likely to be formed. So we must invest heavily in ensuring fair access to employment for immigrants and their families.

Fourth, we must strive to ensure that, once we decide to welcome newcomers on a permanent basis, we give them a clear path to citizenship. We should certainly expect them to meet a reasonable set of responsibilities in common with all other citizens before they are naturalized, but we should not ask them to clear hurdles that are either too subjective or biased.

There is much else we must consider as we move forward. One vexing issue is for us to be able to gauge the capacity of our societies to integrate immigrants, and if we are exceeding it with the current rate of migration flows. We must be smart in calibrating the two; otherwise, the speed of change will sow discontent throughout society. Also, we must not budge on the question of our laws—religious and cultural practices that infringe on our laws have no place in a liberal democracy. At the same, we must continue to be relentless in enforcing anti-discrimination legislation.

The construction of national identity is a dynamic process for which we should set the rules of the game, rather than to try to establish fixed values. We cannot say that a country’s identity is X, and will forever remain so. We have to learn that identity has to be adapted to recognize that we are becoming, and will be, a society with others in it. It is a big challenge. And no amount of talking about the undoubted economic benefits to us, as well as to migrants, can overcome this fact. We have a challenge to change people’s mentality. And it’s a European challenge.

In his old age, Eratosthenes of Cyrene composed a philosophical treatise, of which only a few fragments remain. In closing, I would like to share one that is particularly relevant to this debate: “The author,” Eratosthenes writes, “rejects the principle of a twofold division of the human race between Greeks and Barbarians, and disapproves of the advice given to Alexander, that he treat all Greeks as friends and all Barbarians as enemies. It is better, he writes, to employ as a division criteria the qualities of virtue and dishonesty. Many Greeks are dishonest and many Barbarians enjoy a refined civilization, such as the people of India or the Aryans, or the Romans and the Carthaginians.”

This article is based on an address given 26 November 2008 as part of the Migration Studies Unit Lecture Series at the London School of Economics and Political Science. Peter Sutherland is the United Nations special representative for migration, chairman of Goldman Sachs International and chairman of BP. He is also the chairman of the LSE Court of Governors.

Notes

1  For example, in 1955, the UK projected that its population in 1993 (nearly 40 years into the future) would be 53 million. The actual figure was 5 million more. The forecasters had not anticipated the baby boom of the 1960s. So for their 1965 projection, now knowing better, the assumption was made that by 2000 there would be a UK population of 75
Global Policy Essay, February 2010

million. But birth rates fell; the 2000 population was 59 million.

2 For instance, when Greece was fighting for its independence in 1821, that struggle was financed by loans arranged by the Greek diaspora that lived here in London and had access to the British banking system; it was fomented by Greek-owned newspapers in Vienna; it was fought by diaspora Greeks from countries throughout Europe; and in the nearly two centuries after its independence, remittances were the leading source of foreign earnings for Greece.

3 In some cases it exceeded 15 and even 20%.

4 Similar diaspora groups also form on the basis of common ethnicity, religion or religious institution, profession, school or university, lineage.