

The costs and benefits of migration

Some preliminary notes on the importance of asking the right questions

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It is rather common to talk about the *costs* and *benefits* of migration. While this is entirely legitimate, it is important to note these categories are less objective than they might seem. After all, and besides obvious measurement problems, the outcome of the costs/benefits calculus fundamentally depends on the weight attached to the wellbeing of particular individuals and social groups, the wealth of (sending or receiving) countries and the different (social, cultural, economic) dimensions of “development” (and, in fact, on how we define development). This implies that we need to look at potential benefits and costs of migration to several social groups, countries and different domains of development simultaneously at various scales of analysis.

Furthermore, migration impacts are fundamentally heterogeneous. For instance, migration and remittances can increase or decrease income inequality in sending countries, which depends on migration selectivity, spatial and temporal scales of analysis, and so on. The same heterogeneity applies to the investment/consumption debate. Although remittance consumption in communities of origin has received a bad press, empirical research has shown that remittance consumption can under many circumstances have substantial multiplier effects. While in some cases, migrants massively invest in origin countries, in other cases migration is associated with remittance dependency and a withdrawal from productive activities.

Also the brain drain is not inevitable. In some cases, migration can give positive incentives for education among left-behinds (the so-called *brain gain* pioneered by Oded Stark (1991)), in some cases the incentives might be negative. Also the impacts of migration on care regimes and social hierarchies are heterogeneous and difficult to categorise in either the “costs” or the “benefits” box - they need to be looked at simultaneously.

Although new approaches towards migration and development stress the heterogeneity of the impact of migration on social and economic development in sending and receiving countries, it is less clear which factors actually determine this heterogeneity, and particularly the role that policies can play. Therefore, the real question is not *whether* migration leads to certain types of development or not, but which factors determine that migration has more positive outcomes in some

communities and societies and more negative outcomes in others (cf. Massey et al. 1998).

This not only pertains to spatial heterogeneity, but also to the differentiated impact migration may have in the different domains of 'development' (e.g., growth, education, well-being, culture) as well as distributional (inequality on different scale levels) and temporal dimensions (i.e., time related issues such as 'migration stage') of migration impacts.

Because the costs or the benefits of migration is contingent on the nature and selectivity of migration and the broader development context, it is crucial to identify the *general* conditions under which the benefits of migration can be maximised and its costs be minimised. Through adopting such a comprehensive perspective, it becomes possible to infer policy implications that go beyond simplistic remittance-maximising strategies (ignoring general investment conditions) and approaches that try to naively "manage" (circular, temporary and return) migration in complete isolation of its structural causes.

This all seems to imply that we need to study the effect of general labour market, macro-economic and social policies on migration and the way such policies can affect the social and economic outcomes of migration positively or negatively. Adopting such a broader perspective can challenge conventional wisdom on migration issues by altering our views on causality. For instance, the notable decrease of Turkish migration in recent years and increasing return migration and investments by Turkish migrants is not the result of restrictive immigration policies or newly adopted diaspora policies by the Turkish state, but rather a response to the radically improved economic and political situation in Turkey.

Another example is the issue of the *brain drain*. A recent empirical study argued that Africa's poor public health conditions are the result of factors entirely unrelated to the emigration of highly trained health professionals (Clemens 2007). More generally, large-scale migration of high-skilled seems to be primarily a symptom of development failure rather than the cause of this failure as such (Lowell and Findlay 2002).

A final example is irregular migration from Africa to the EU, which is commonly seen as the movement of desperate people fleeing poverty and warfare at home. Typical "solutions" proposed include increasing border controls and boosting African "stay-at-home" development. However, this obscures that African migration to Europe is largely fuelled by a *structural* demand for cheap migrant labour. Also African development is unlikely to curb migration as it will enable and inspire more people to migrate. This partly explains why African migration to the EU has continued *irrespective* of increasingly restrictive immigration policies (de Haas 2008, forthcoming).

However, as a consequence of this mismatch between labour market demand and restrictive immigration policies, many African migrants are irregular. This is not only negatively affecting the wellbeing of migrants themselves, but is also likely to have negative effects their capacity to integrate socially and economically in host societies.

This will also limit migrants' capability to contribute positively to development in sending countries.

This exemplifies the *necessity to look beyond migration policies* when studying (1) the effects of policy on migration as well as the (2) social and economic effects of migration in sending and receiving countries.

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