6 Destination countries

Maximizing gains through economic and social policies

Key messages

- Destination countries gain significantly from the contributions of migrants whose skills and attributes strongly match their needs, irrespective of migrants’ legal status or motivation.
- Benefits arise from migrants’ contributions in the labor market and to higher productivity and greater availability and lower prices for some goods and services, as well as their fiscal contributions. These benefits are larger if migrants are allowed and able to work formally at the level of their qualifications.
- Costs are associated with the use of public services and the negative wage or employment effects on some nationals (typically among the lower-skilled). Social integration can have a cost as well, but the debate must be placed in context: destination societies are not identical, culturally uniform, or static.
- Destination countries can adopt policies that improve how well migrants’ skills and attributes match countries’ needs—and thus their gains—by creating adequate legal pathways for entry and by facilitating economic and social inclusion (figure 6.1).

Figure 6.1 When migrants’ skills and attributes are a strong match with the needs of their destination countries, the countries benefit and can increase their benefits through policy actions.

Source: WDR 2023 team.

Note: Match refers to the degree to which a migrant’s skills and related attributes meet the demand in the destination country. Motive refers to the circumstances under which a person moves—whether in search of opportunity or because of a “well-founded fear” of persecution, armed conflict, or violence in their origin country.