

# **Migration: Global context, local impact**

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**The World Bank**

**May 2019**

A graphic featuring white silhouettes of a diverse group of people, including adults and children, walking across a white, curved horizon line that represents the Earth. The background is a solid blue color with faint, darker blue outlines of continents. The overall theme is global migration and movement.

POLICY RESEARCH REPORT  
LAUNCH

**MOVING FOR PROSPERITY** | Global Migration and Labor Markets

Why migration?



# Why migration?

## ***Most important issues facing the United States and EU: Immigration***

	<div>Higher Rank ← ————— → Lower Rank</div>															% giving this answer
United States	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15
Britain	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	39
France	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	41
Germany	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	43
Italy	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	47
Spain	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	26
Poland	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	42
Denmark	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	53
Sweden	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	49
Finland	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	53
Lithuania	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	35
Greece	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	51

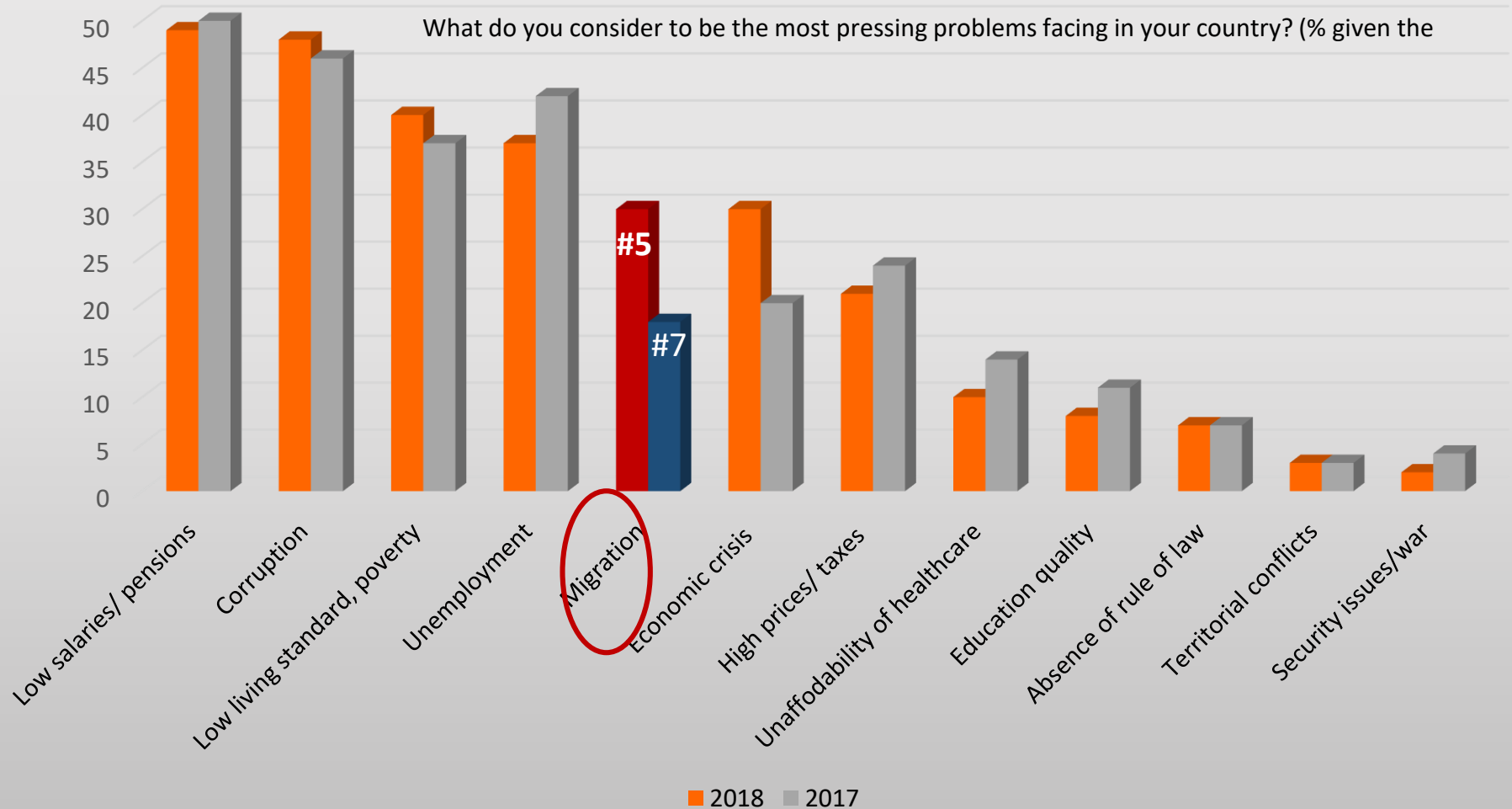
Source:

*European Union: YouGov opinion polls, April 18-30 2018*

*United States: Gallup, Feb 1-10, 2018*

# Why migration?

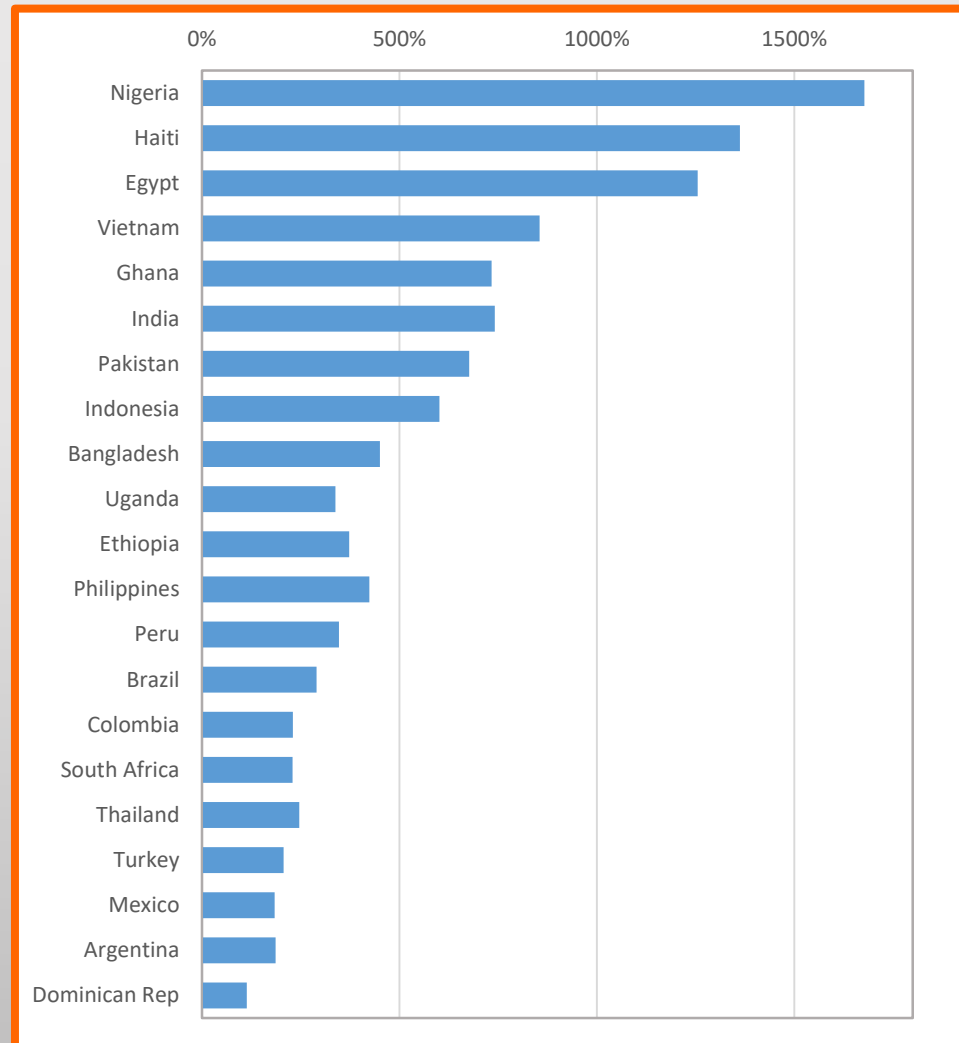
## *An increasingly pressing issue facing Moldova*



Source: EU Neighbours east. 2018. Annual Survey Report, Moldova - 3<sup>rd</sup> Wave (Spring 2018).

**WHY ARE THERE SO MANY MIGRANTS?**

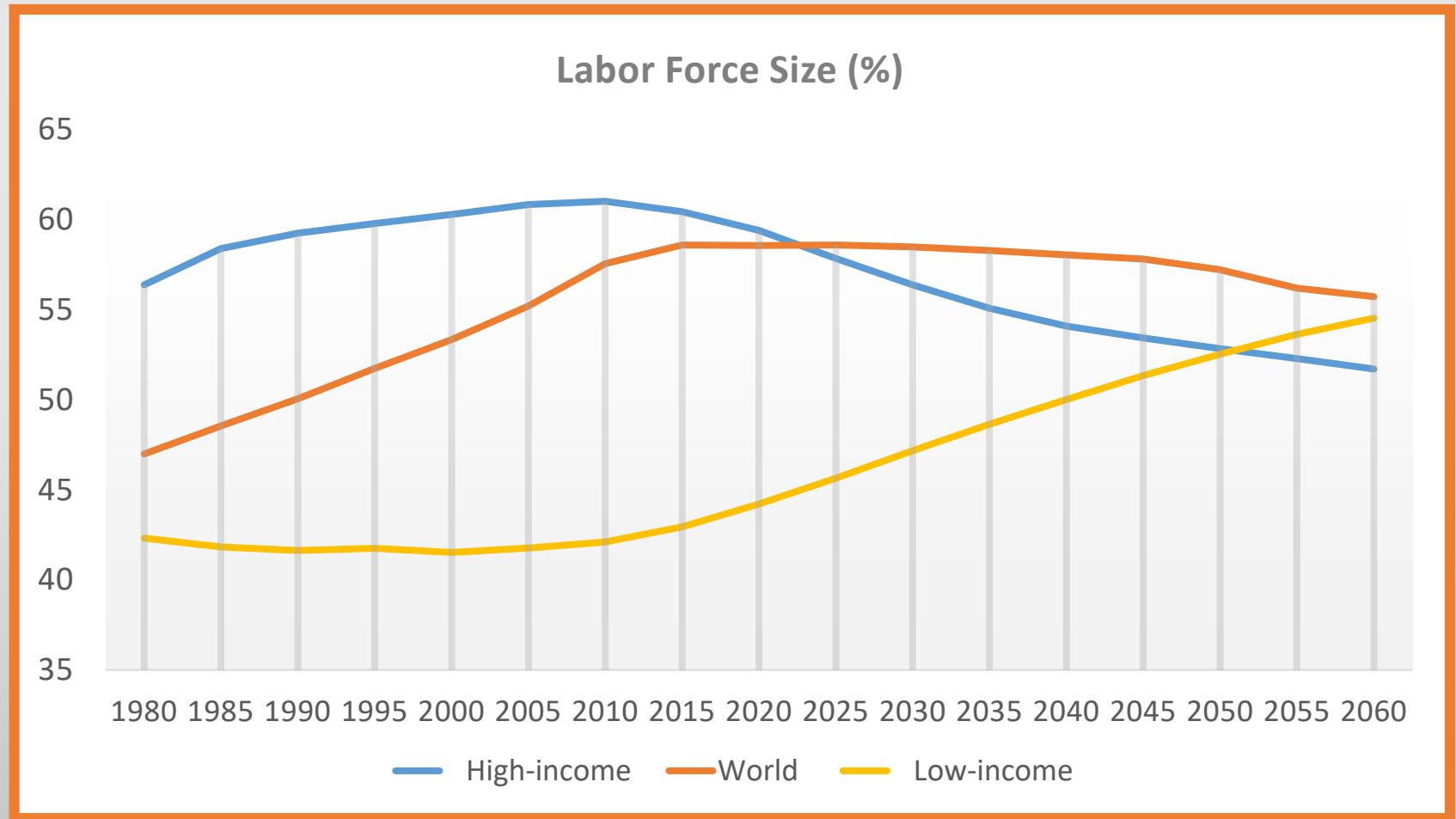
# Trillion dollar gain: Wage increase upon immigration to the United States





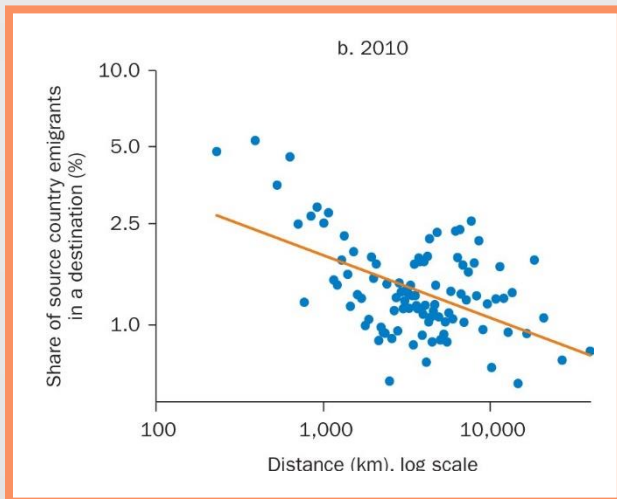
# Demography is Destiny

Global Labor Force is shifting towards Low-Income Countries

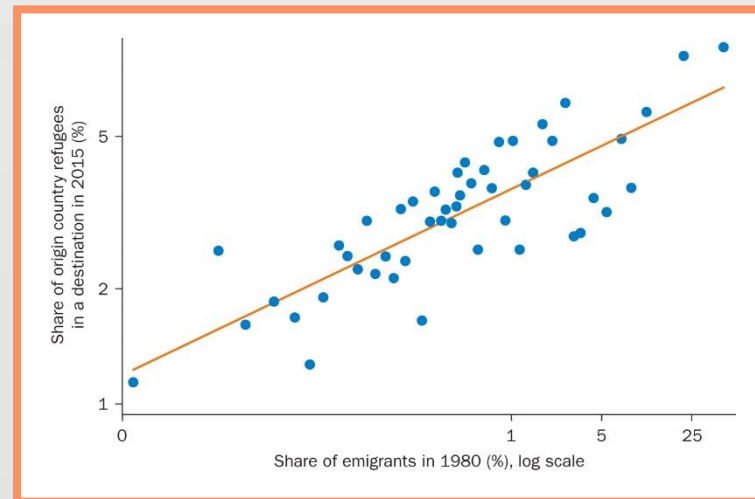




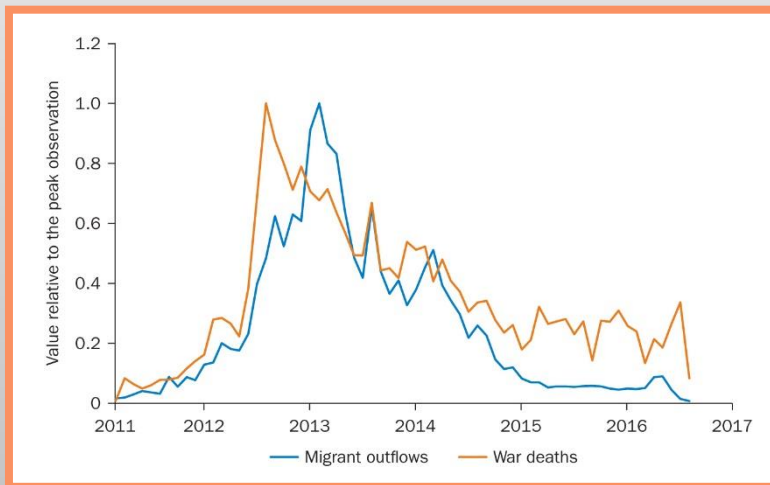
Of course, there are many other factors shaping migration ...



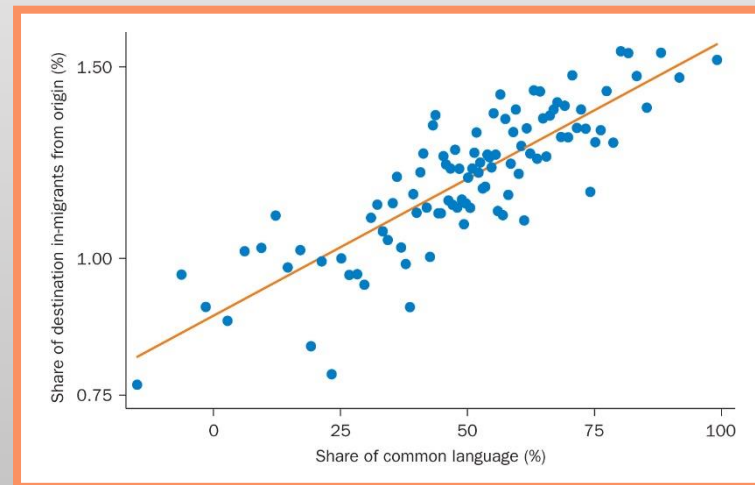
***Distance***



***Diasporas***



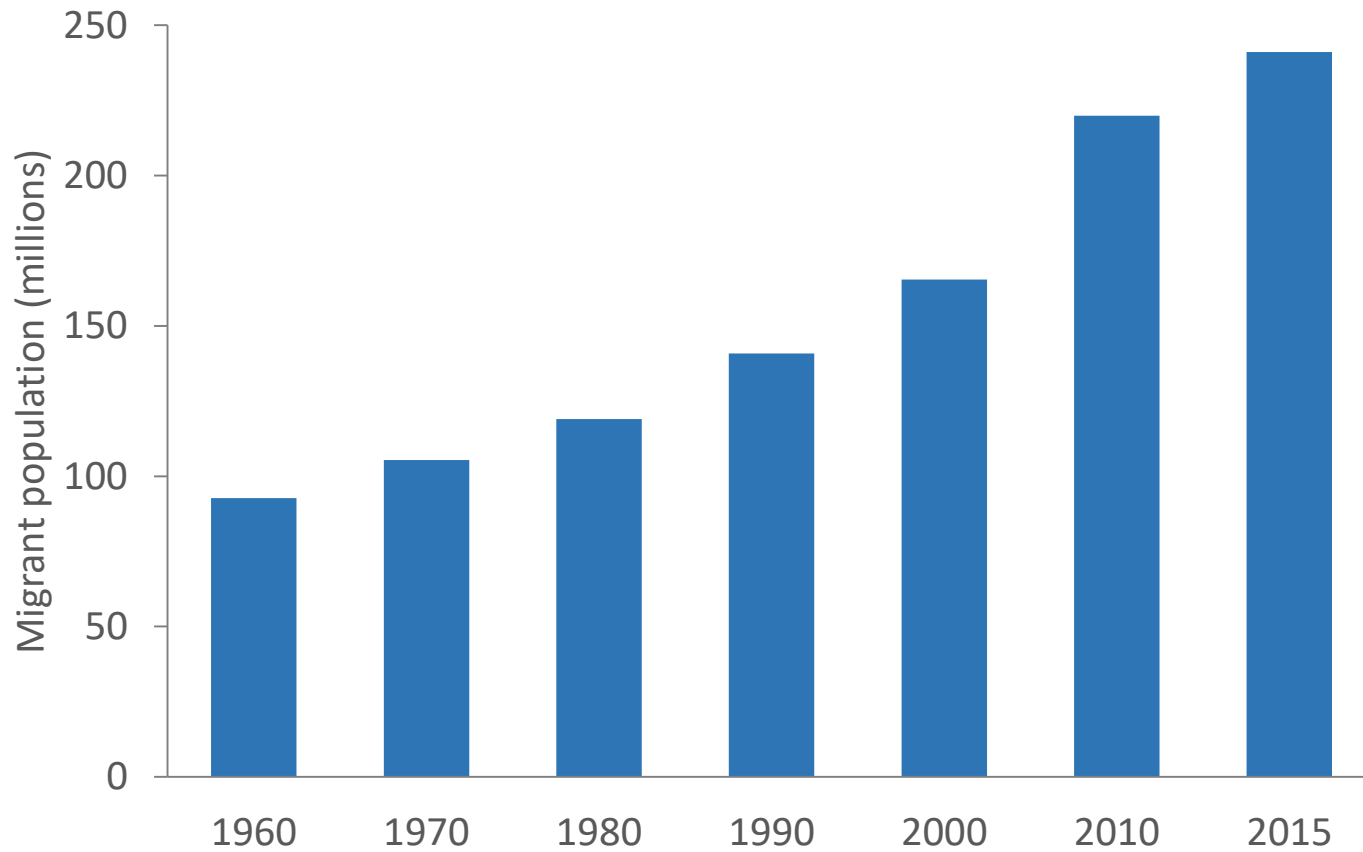
***Violence***



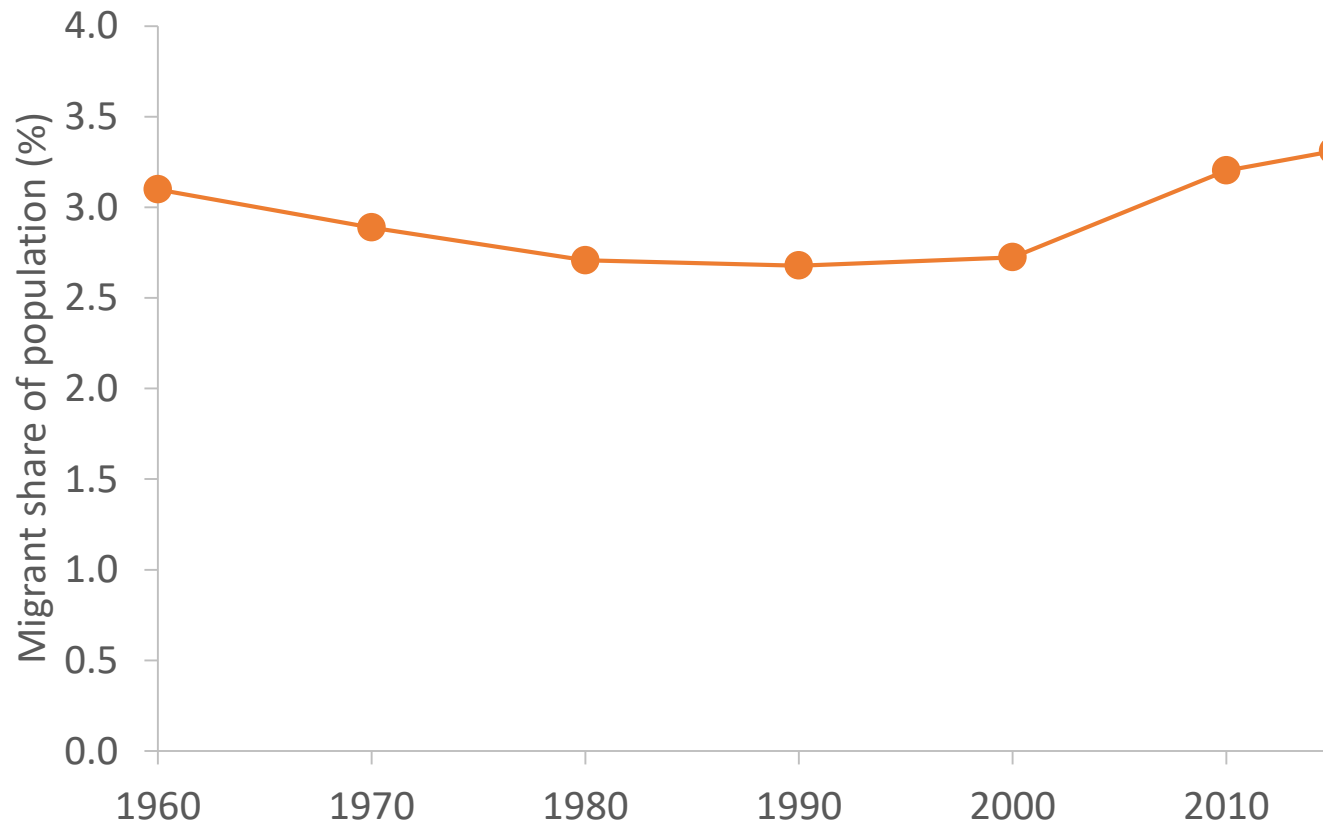
***Linguistic Overlap***

**ARE THERE REALLY THAT MANY  
MIGRANTS?**

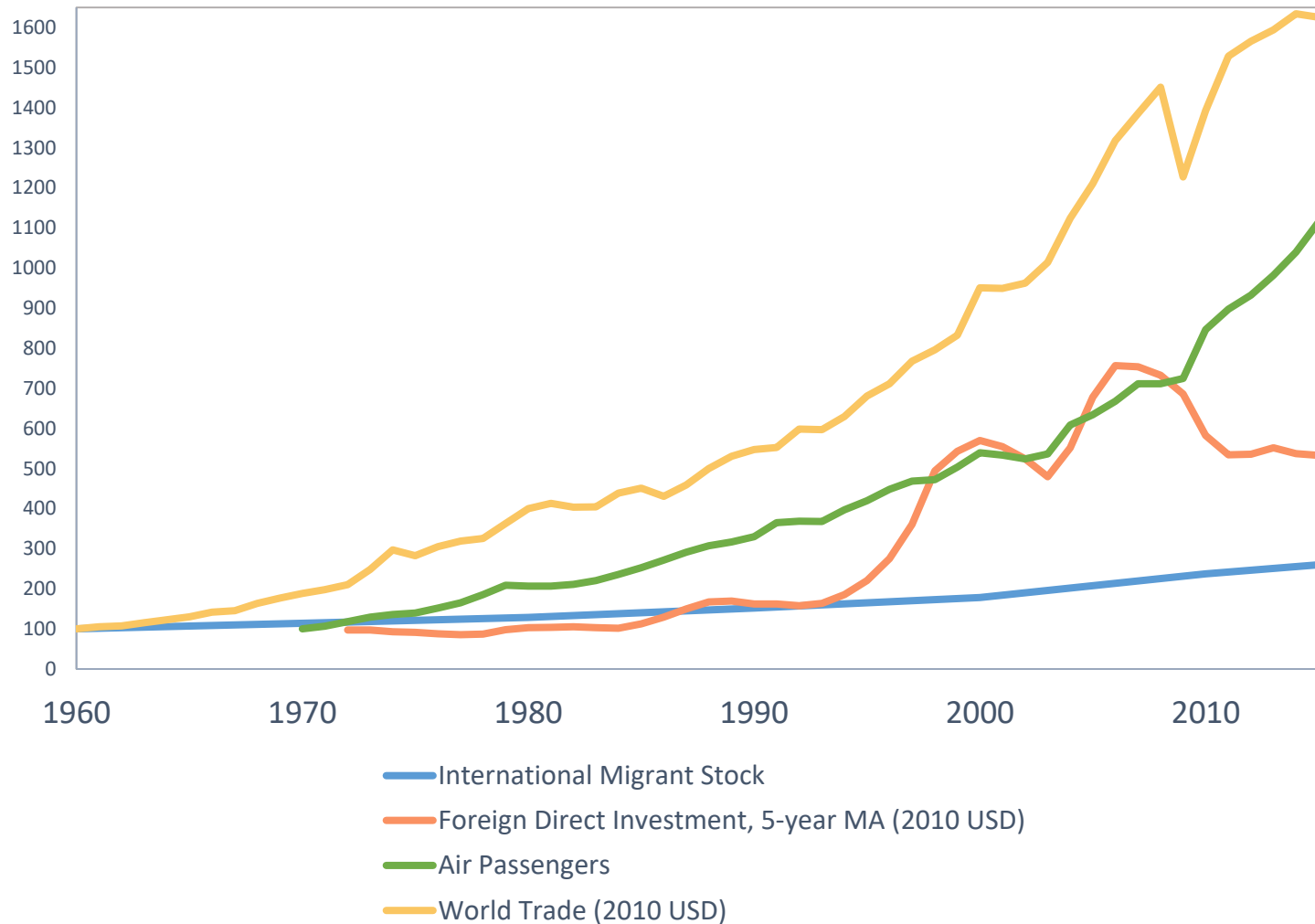
## Global Migrant Stocks since 1960...



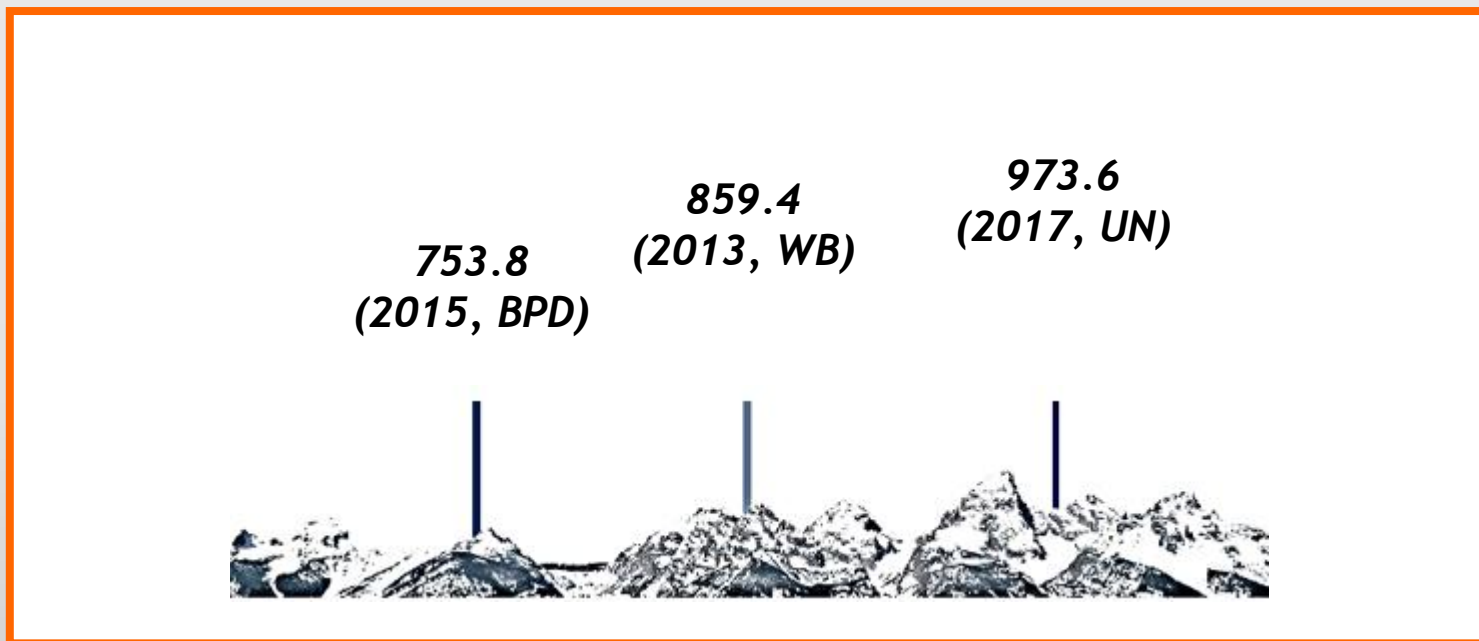
Global migrant stocks have not changed much since 1960 as share of world population



## Globalization over time – different metrics since 1960



Yet, Moldova seen stocks of emigrants hovering around 20-27 percent of population (depending on definitions and year)

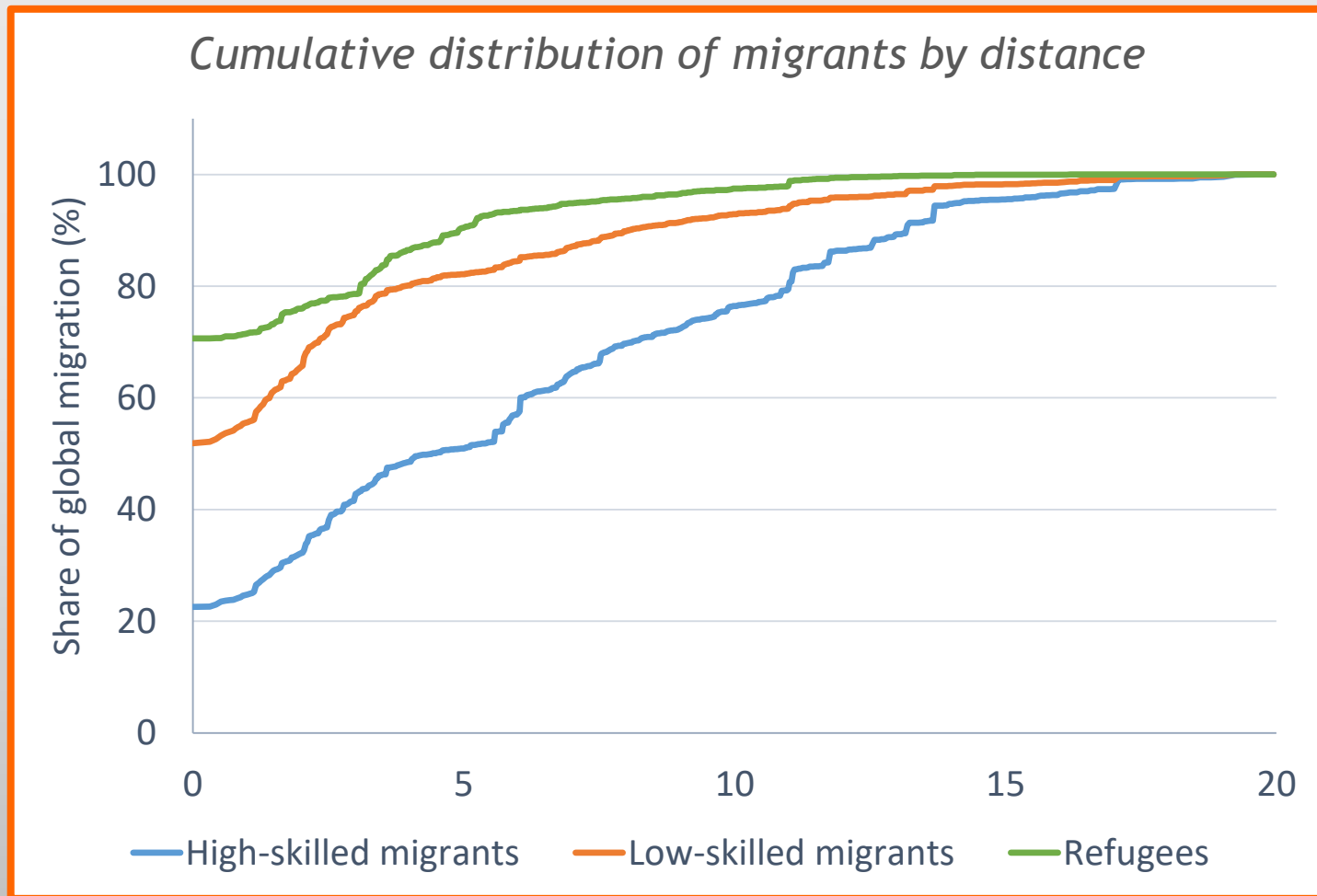


Source: Moldova Border Police Department (BPD). World Bank, United Nations.

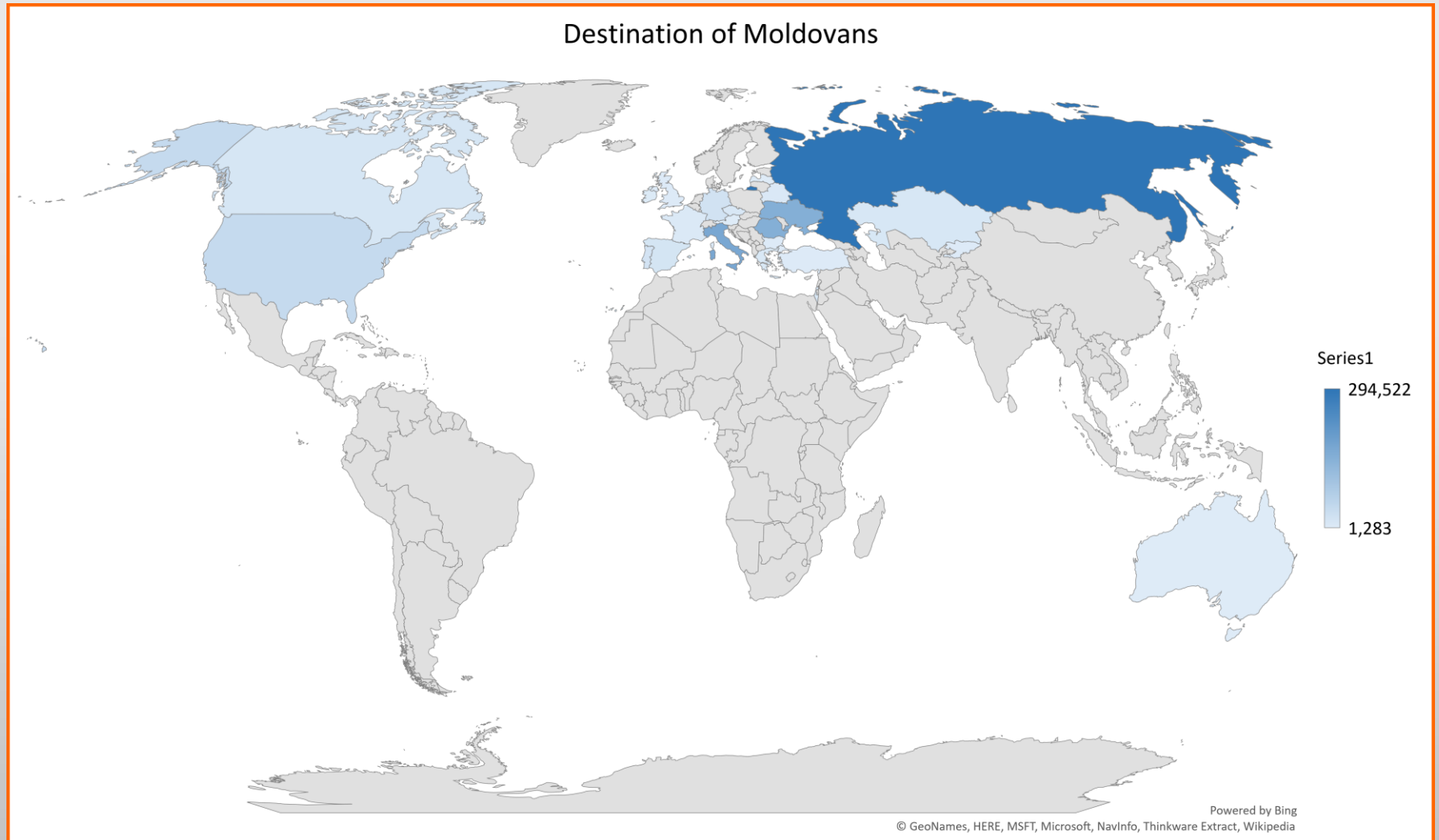
# **WHAT ARE THE OVERALL PATTERNS OF MIGRATION?**



Most migrants travel to neighboring countries.  
Only the high-skilled travel farther



The pattern appears to hold for Moldovans.

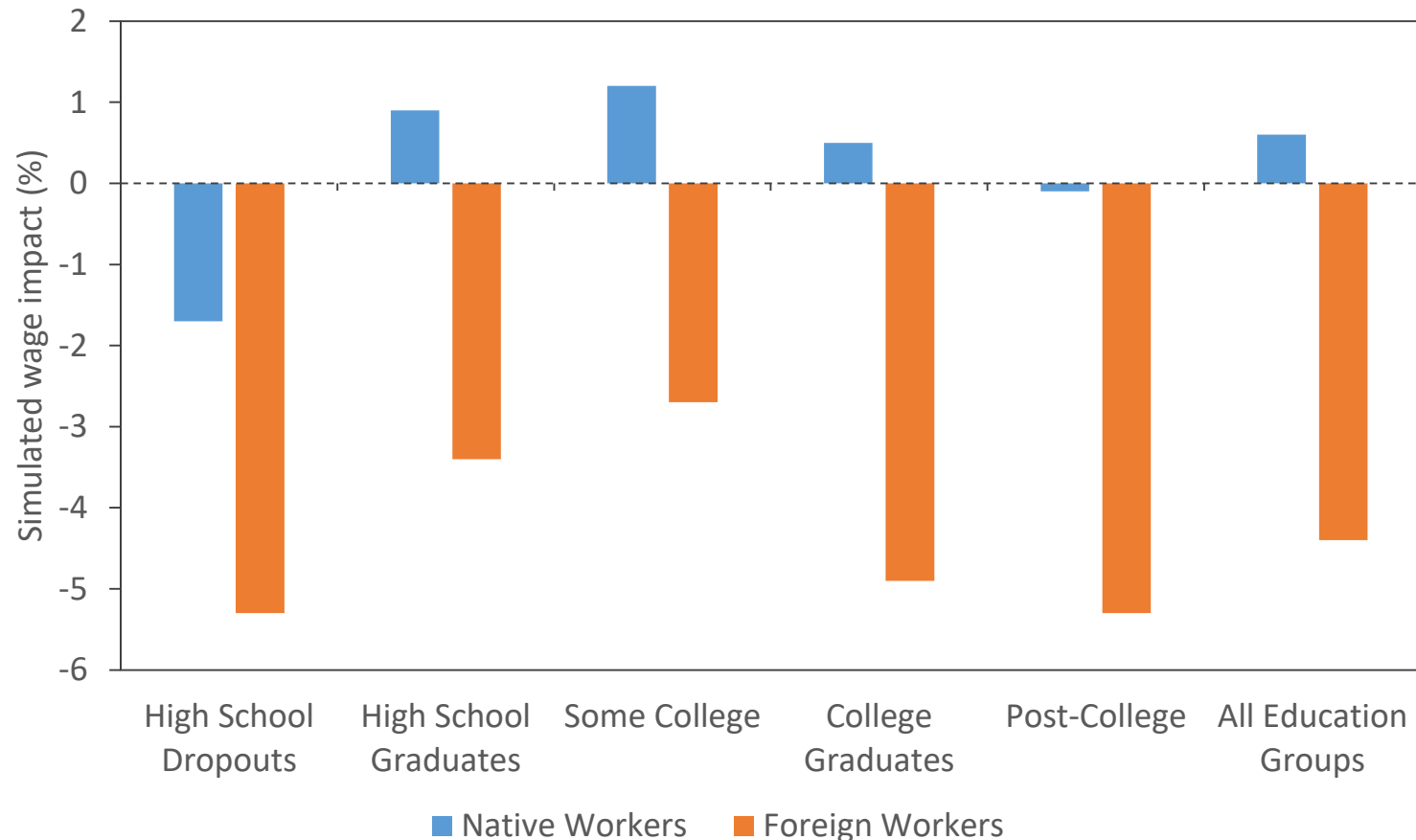


Source: United Nations. 2017.

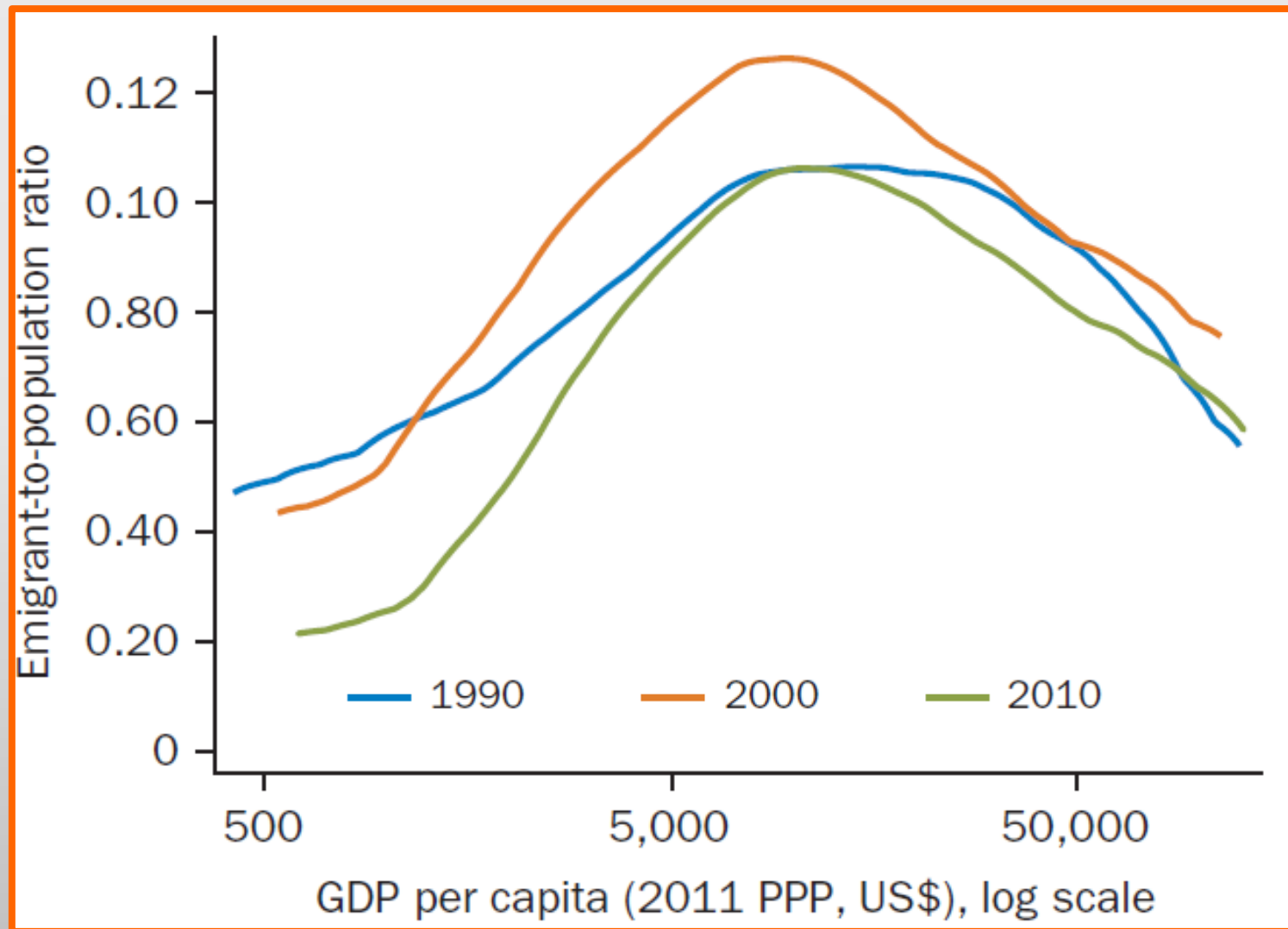
**WHAT ARE THE IMPACTS?**

Receiving countries: Immigration has a positive impact on overall wages but lowers the wages of those with substitutable skills

***The impact of immigration across education groups***

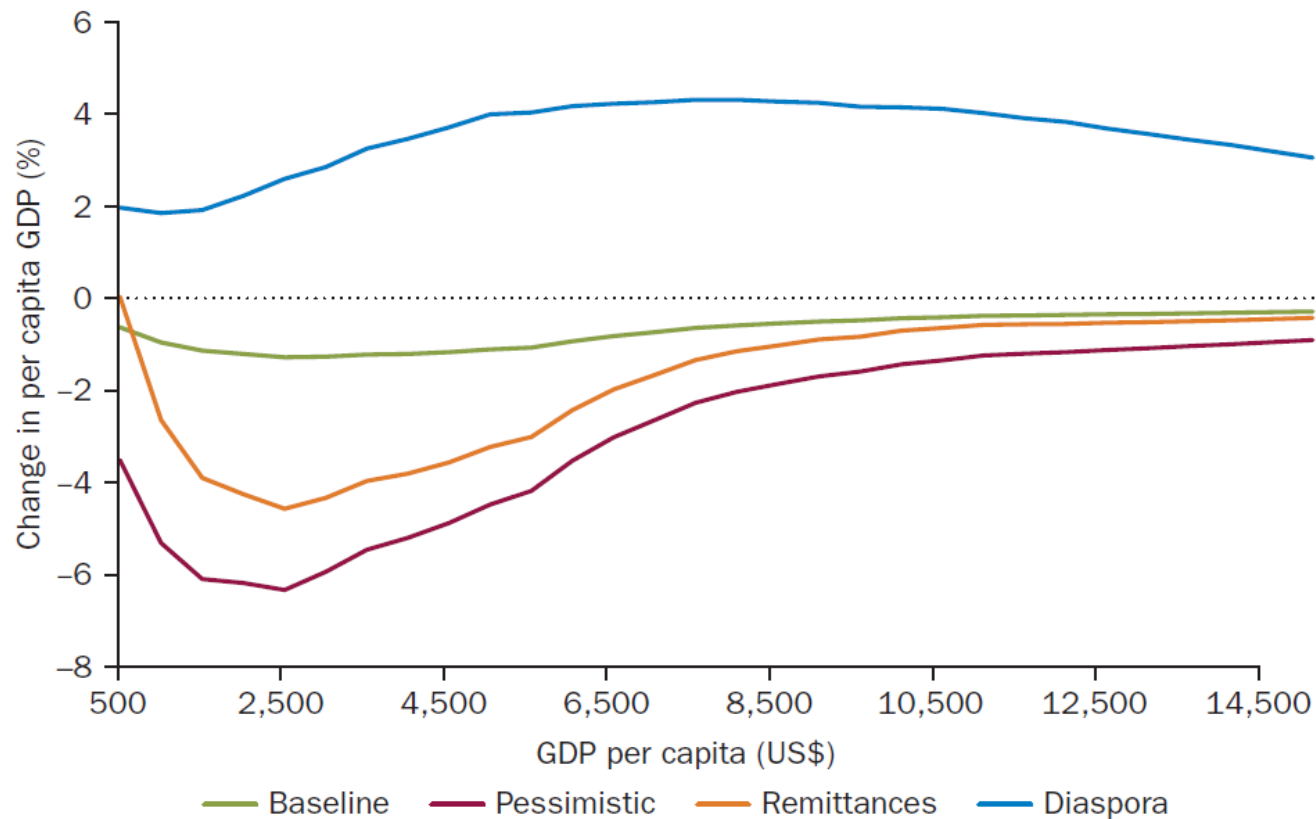


Sending countries: Emigration and development – an inverse U relationship.



Sending countries: High-skilled emigration can hurt sending countries, but diaspora externalities can offset the negative impact.

*Effect of high-skilled emigration across source countries with different income levels*



Source: Docquier 2017.

Note: The figure shows the effects of skill-biased emigration by GDP per capita for different channels (see text for more detail). GDP = gross domestic product.

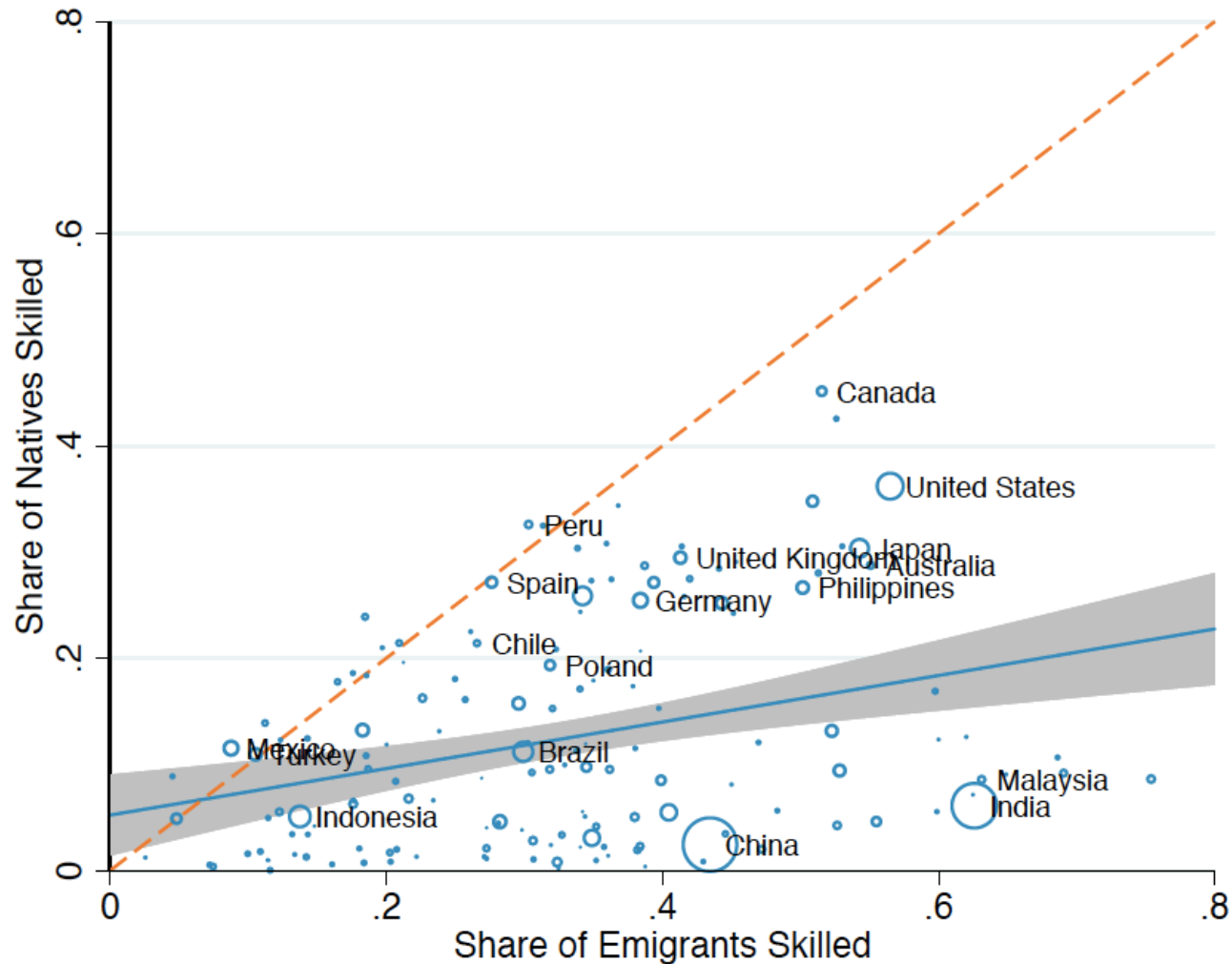
**WHAT MATTERS ARE THE LONG-TERM IMPACTS**

**EDUCATION  
INTEGRATION  
GENDER  
INSTITUTIONS**



## ISSUE #1: EDUCATION

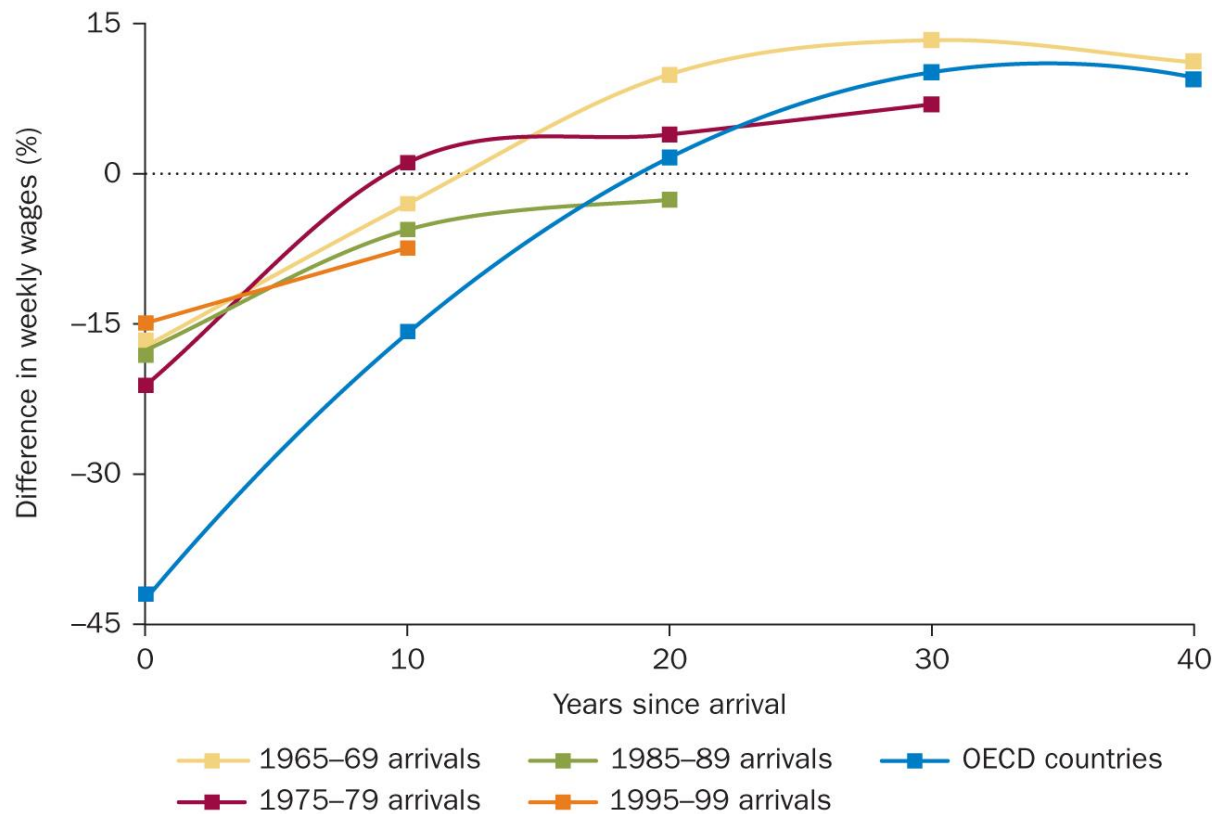
Migrants are more educated than people left behind in origin countries.



## ISSUE #2: INTEGRATION

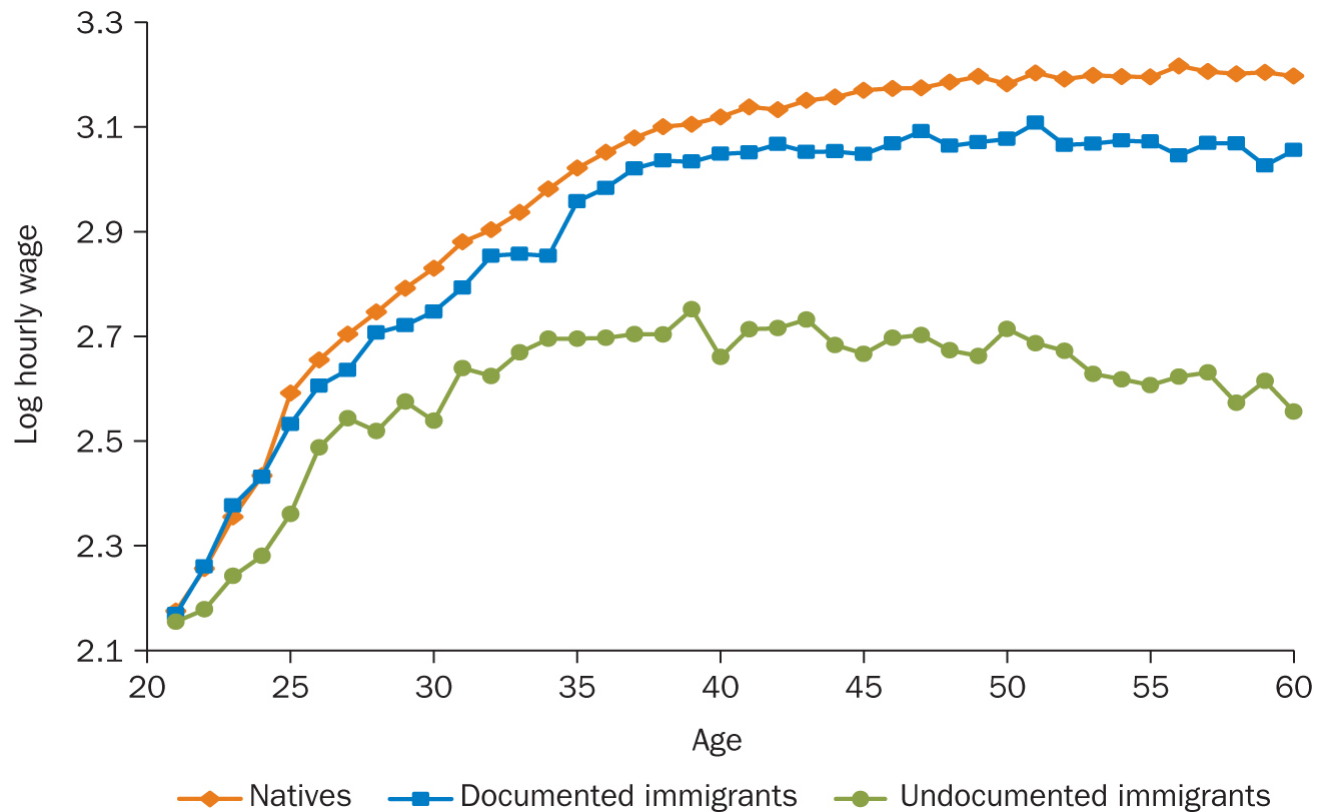
Economic Integration determines the overall gains

### *Immigrant wage gaps since arrival by cohort*



## Undocumented migrants hit a ceiling in terms of wages

*Age-earnings profiles of immigrants and natives by legal status*



## ISSUE #3 GENDER



*Women Icons Award Ceremony*  
**SINGAPORE**



*Filipino Maids*  
**SINGAPORE**

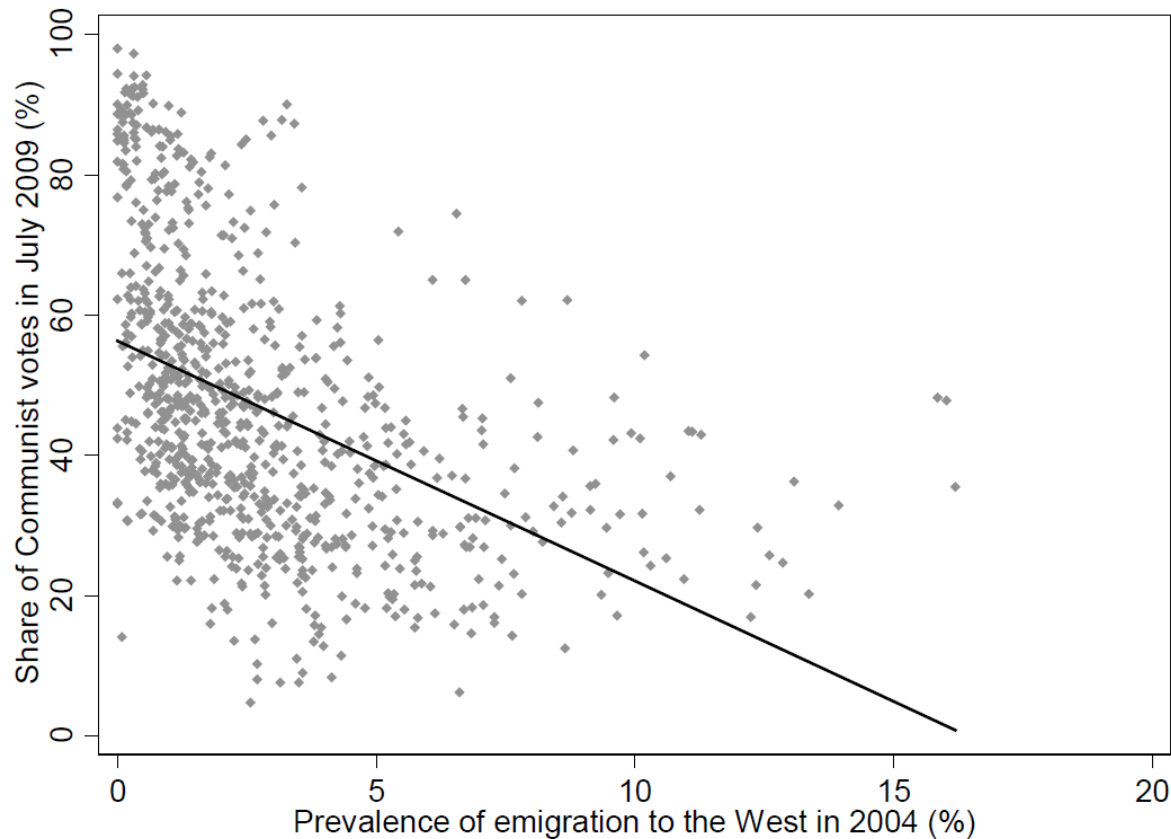


*Filipino Students*  
**MANILA**

## ISSUE #4 INSTITUTIONS

Exit and voice can be complimentary in bringing political change (Mahmoud et al. 2014)

Westward migration in 2004 and share of Communist votes in 2009 across communities



Source: Mahmoud et al (2014).

# CONCLUSION

#1: Data data data

#2: Disconnect between economics research and politics

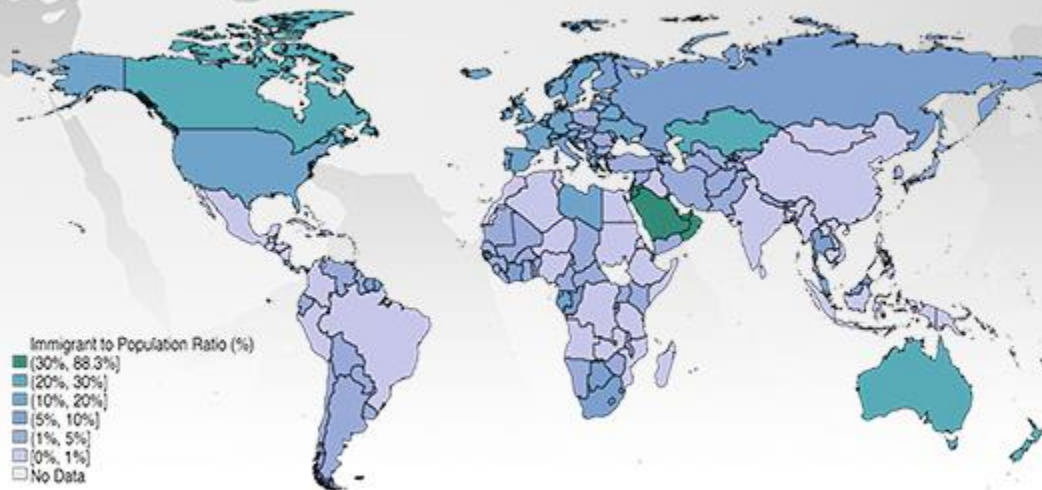
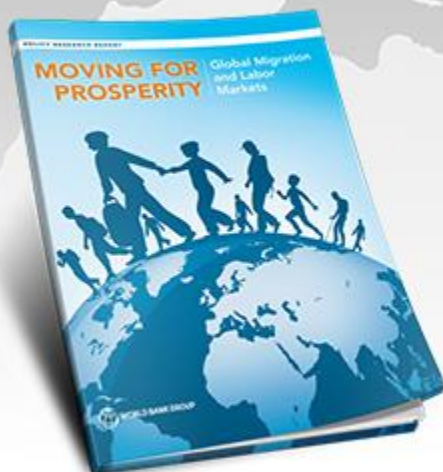
#3: Policies cannot defeat market forces

#4: Focus on long term issues and quantify them

#5: Harass the World Bank/IMF/EBRD

# MOVING FOR PROSPERITY

Global Migration and Labor Markets



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