

GLOBAL INSIGHTS

The New Migration and Development
Optimism: A Review of the 2009
Human Development Report



Alan Gamlen

UN Development Programme, *Human Development Report 2009, Overcoming Barriers: Human Mobility and Development* (New York: Palgrave Macmillan, 2010).

MIGRATION CAN BENEFIT EVERYBODY IF POLICY SETTINGS ARE RIGHT, SAYS the new migration and development optimism, encapsulated in the 2009 *Human Development Report*. Latest in the twenty-year-old flagship series of the UN Development Programme (UNDP), *Overcoming Barriers: Human Mobility and Development* (hereafter, *Overcoming Barriers*) is a remarkable achievement. It explores the migration and development nexus from all angles, offering state-of-the-art assessments of migration's impacts on development and vice versa, and of how these impacts differ for sending areas, receiving areas, and migrants themselves. It questions common misconceptions about migration, refutes pessimistic arguments, criticizes poor policies, and recommends new ones "with a view to expanding peoples' freedoms" (p. 5). And it does all this in around 112 pithy pages of text (excluding references and appendices) representing just one year's work. By consolidating the new migration and development optimism as an international policy orthodoxy, the report also reveals a lot about and perhaps has implications for the global governance of migration.

The optimistic central thesis of the report, set forth in Chapter 1, is supported by four further chapters covering the determinants of migration, its outcomes for migrants, for origin and destination regions, and policy recommendations intended to maximize the good for all three groups. Maps, graphs, tables, and boxed text help readers drill down into the analysis, keeping it simultaneously comprehensive and concise. The bibliography resembles an international who's who of contemporary migration and development researchers, many of whom are also mixed into the acknowledgments along with an alphabet soup of international organizations that have recently (and a few not so recently) taken an interest in migration. The Statistical Annex presents, if

not the absolute best, then many of the best available data on international migration.

The report swings behind the now-dominant optimistic school of thought on the relationship between migration and development, which has been gathering momentum since the mid-1990s. Freedom of movement is to be valued in and of itself as well as for its potential economic and social impacts (chap. 1). People move for better livelihoods, but are constrained by economic and policy barriers, particularly if they are poor; growing inequalities will increase pressure for movement (chap. 2). Migrants gain if barriers are removed and their rights are protected, softening some of their hardest choices (chap. 3). Migration benefits family members left behind, but can exacerbate inequalities as migrants tend to come from better-off backgrounds to start with. Migrants boost economic output and enhance social diversity in destination regions; the countervailing fears that migrants crowd out native workers are exaggerated (chap. 4). The right policies can strengthen migrants' contributions to both origin and destination regions. Therefore, migration channels should be simplified and liberalized, basic rights protected, transaction costs reduced, outcomes for migrant and destination communities improved, benefits from internal mobility enabled. And mobility should be integrated into national development strategies (chap. 5).

Rather than presenting groundbreaking ideas, the report reinforces earlier work in challenging common misconceptions about migration and development. It reminds (p. 21) that most migration is internal rather than international (approximately 740 million people vs. approximately 200 million)—underlining the work of, for example, Russell King and Ronald Skeldon.¹ It demonstrates that the relationship between migration and development is not linear (pp. 24–25): steadily increasing development will lead first to more emigration, and only then to less.² Therefore, fostering development will not control migration.³ Recalling the likes of Robin Cohen,⁴ the report highlights that not all migrants are victims: only a third move from developing to developed countries, only 7 percent are refugees, and most are actually comparatively successful (pp. 21–22). Alas, it omits to mention that a full third of international migrants originate in the global North.⁵ Eyebrows may rise at the notion of the *human development of peoples*, which avoids the jargon but relies on the concept of a *transnational community* centered on a homeland, but encompassing a *diaspora*. This skirts close to the trap of reifying the ethnic “community,” even though it ironically relies on theoretical ideas that were initially developed specifically to avoid the essentializing categories of race, ethnicity, and nationality.⁶ However, these are quibbles: overall the report showcases nuances in the literature that are too often overlooked.

One original and important contribution stands out: the attempt to empirically test the recent numbers versus rights hypothesis, that “there is a trade-off, i.e., an inverse relationship, between the number and rights of migrants

employed in low-skilled jobs in high-income countries.”⁷ The approach to this question presented in *Overcoming Barriers* is not without weaknesses. For example, it examines the numbers versus rights hypothesis in relation to *all* migration, even though the hypothesis was originally formulated by Martin Ruhs and Philip Martin with specific reference only to *low-skilled labor* migration. Moreover, the report uses indices of rights that the author of the original hypothesis find questionable.⁸ However, notwithstanding such weaknesses, *Overcoming Barriers* offers easily the most robust empirical examination of the numbers versus rights hypothesis to date. That it finds “no systematic relation between various measures of rights and migrant numbers” should give pause to anyone taken by the notion (p. 37). Though many policies do restrict movement, according to the report, rights policies do not.

This is an important finding. Lack of a *prima facie* empirical case exposes more basic theoretical problems with the numbers versus rights concept. In short: Why would one expect a numbers versus rights trade-off when there is no observable evidence for it? Many theories counsel us to expect the opposite: welfare entitlements should theoretically attract more migrants. Moral and political considerations weigh heavily in the policymaking process: policies are not merely the outcome of economic calculations. Moreover, it seems questionable that the numbers versus rights trade-off “rests entirely on the rational behavior of employers and workers . . . regardless of the framework conditions set by the state” (p. 255). First, aside from the implausibility of employers funding core rights in the absence of state compulsion to do so, it is arguable that in any case the most important rights are not funded by employers, but directly by the state via taxes. They are nonrivalrous, nonexcludable public goods, and operate not like finite resources for which migrants compete, but more like muscles that are exercised by taxpaying migrants. Second, to the extent that a few remaining key rights are funded by employers (e.g., minimum wage), they might conceivably depress demand for legal low-skilled migrant labor. But this may simply boost demand for illegal migration and increase supply-side pressures from migrants wanting in, resulting in negligible net impact on migrant numbers. I see only one possible theoretical underpinning as remaining: that more migrants *should* equate to fewer rights per migrant. But unsurprisingly, given it would open the door to blatant discrimination, the authors of the numbers versus rights hypothesis distance themselves from such a claim. As Michael Sandel puts it, economics is “a spurious science insofar as it is used to tell us what we ought to do, because questions about what we ought to do in politics or in society are unavoidably moral and political, not merely economic.”⁹ As a transparent empirical test with deep-running theoretical and policy implications, this section of *Overcoming Barriers* is hard to top.

In one sense, the “new optimism” synopsisized in *Overcoming Barriers* is nothing new. Early writings on the topic of migration and development in the 1960s and early 1970s were also optimistic. Like today’s, that optimism emerged

during a long economic expansion involving high demand for migrant labor in industrialized countries. Migration was seen as promoting “balanced growth” by restoring the equilibrium between labor-rich-but-capital-poor sending areas and oppositely endowed receiving regions.¹⁰ Wage levels were the key mechanism: declining labor supply raised wages in migrant-sending countries, encouraging producers to invest in technological improvements instead of just employing more people.¹¹ However, this migration boom gave way to migration bust with the oil shocks and stagflation of the 1970s, ushering in an era of migration and development pessimism that lasted through the 1980s. According to this pessimistic view, rather than balanced growth, the real impact of emigration was often “asymmetric development which increases the inequality between emigration and immigration countries”¹² as rich countries cherry-picked poor countries’ human resources, remittances were wasted on consumption rather than channeled into investment, and the foreign skills of returnees found few local applications. The formerly positive relationship between migration and development was now thought to be rather more “unsettled.” Since the 1990s, against the background of another migration boom, we have once again heard arguments that, with migration, everyone can be a winner. By compensating for weak credit and insurance markets, by sharing of migrant know-how and labor among regions through “circular migration,” by the multiplier effects of remittances, and so forth,¹³ migration can achieve a grand bargain among sending and receiving states and migrants themselves.

Thus, the migration and development debate has gone through several phases¹⁴ and, from one perspective, the new migration and development optimism is merely the backswing of an old pendulum. However, in other ways, the rekindling of migration and development optimism, expressed as strident orthodoxy in the latest *Human Development Report*, is new. Despite expunging the Marxist overtones of the pessimistic period, migration and development theory has not reinstated the infallible and unfettered markets of *laissez-faire*, nor even the “roll back neoliberalism”¹⁵ of the Margaret Thatcher–Ronald Reagan period (except, perhaps, insofar as it echoes in the World Bank’s insistence that “fundamentally, remittances are private funds”¹⁶ with which the state has no business interfering). Instead, migration and development theory has been propelled along the so-called Third Way between markets and states. In short, the new migration and development optimism, as synopsis in UNDP’s report, fairly transparently reflects the worldview that Jamie Peck and Adam Tickell call “roll out neoliberalism.”¹⁷ One need not be a frothing and fulminating enemy of globalization to recognize this.

It is interesting to trace the neoliberal thread of the *Human Development Report’s* reasoning. The intrinsic value of human mobility, the report notes, has been attested by Confucius, the Magna Carta, and Martha Nussbaum (oddly, it does not mention liberal luminaries John Locke and Jean-Jacques Rousseau, for whom “consent” was made meaningful by the possibility of

exit). The specific definition of freedom of movement as an inherent component of human development is indebted to Amartya Sen's notion of "development as freedom."¹⁸ Moreover, the report highlights that migration is not only valuable in and of itself, but also for its consequences: "migrants from the poorest countries, on average, experienced a 15-fold increase in income, a doubling of school enrolment rates and a 16-fold reduction in child mortality after moving to a developed country."¹⁹ However, despite these figures not all migrants are successful, the report warns, and their failures may reflect and affect the outcomes of migration for both origin and destination regions as well. Some of these failures, the report argues, are attributable to "barriers" in the form of poor policies such as repressive entry controls and labor violations. Therefore, the report concludes, the right policies are needed to ensure migrants succeed on their own behalf as well as that of sending and receiving destinations. It is hard to envisage a clearer articulation of the soft neoliberal creed,²⁰ which found form in Tony Blair's and Bill Clinton's Third Way: a free migration market is a natural solution to development problems—a kind of new trickle-down effect—but one that can fail without the support of market-friendly, "enabling" state policies.

One final further aspect of the new migration and development optimism, as expressed in *Overcoming Barriers*, stands out as unique to the current era: its relationship to recent debates about the global governance of migration. Put simply, the new migration and development optimism provides a rationale for multilateral cooperation over migration, and this fact in part assures its popularity.

In recent years, there has been increasing recognition of migration as one of the most visible and controversial forms of contemporary globalization, but that (unlike the other main global flows) it lacks a multilateral regulatory framework akin to the International Monetary Fund (IMF) and World Trade Organization (WTO). Instead, we have a complicated global migration governance pattern: what Alex Betts calls a "complex and fragmented tapestry of overlapping, parallel and nested institutions."²¹ Responsibility for migration is shared uneasily across several UN organizations that disagree over priorities, including the UN High Commissioner for Refugees (UNHCR), which is most concerned with refugees; the International Labour Organization (ILO), which focuses on migrant workers; and the World Bank and the IMF, which keep an eye on migrant remittances. The International Organization for Migration (IOM) would appear to be responsible for some of each of these areas, and all the others besides, but it remains external to the UN system.

In part this complex situation reflects the absence of an obvious embryo institution for a "world migration organization," or of sufficient political will to create one.²² On one hand, those who might in principle support the establishment of such an organization do not agree on how it would relate to existing institutions. Many reject the IOM, perhaps the most obvious contender for the

role, as a viable candidate. Established in 1951 (the same year as the UNHCR), the IOM was initially kept outside the UN largely at the behest of the Soviet Union, which feared a UN-empowered migration organization would interfere with its exit restrictions. Ironically, an important factor currently holding the IOM and the newly formed Global Forum on Migration and Development outside of the UN is the concern of Western countries to defend their *entry* restrictions. On the other hand, not all the main global players would support a world migration organization in principle—not by a long shot. Some see migration as an area where state interests inevitably conflict. For economic reasons, everybody wants the high-skilled workers; for political and security reasons, nobody wants the low-skilled ones. Someone is always going to end up shortchanged. From this perspective, interstate cooperation is not possible, or even desirable: it is a slippery slope toward the forfeit of state sovereignty itself.

However, for neoliberal internationalists who believe that migration and international regulatory cooperation are generally desirable, this is neoconservative fatalism. The only thing to overcome it is a case for cooperation—a testimony of some sort that migration is a market mechanism that benefits everyone if enabled by the kinds of coherent policies that arise only through multilateral cooperation. The new migration and development optimism provides exactly such a testimony. This helps to explain why Kofi Annan, in pushing for more coherent global migration governance, crafted the agenda of early dialogues around migration and development.²³ It also helps to explain why international agencies—in many ways, the embodiment of neoliberal internationalism—have begun to climb aboard the migration and development bandwagon. The UNDP is the latest major player to swing its considerable weight behind the new migration and development optimism. “While the international community boasts an established institutional architecture for governing trade and financial relations among countries,” the report notes, “the governance of mobility has been well characterized as a non-regime (with the important exception of refugees). This report is part of ongoing efforts to redress this imbalance.”²⁴

I have suggested that migration and development optimism, now and then, reflects a range of political and economic factors in addition to purely scientific ones. Migration booms generate arguments in favor of migration, just as credit booms generate arguments in favor of globalized finance. Each time a boom comes, regulators and their academic advisers respond differently. The regulators of our era, unlike those of any other, have taken a particular kind of neoliberal approach—and this approach is encapsulated in *Overcoming Barriers*. This raises questions for which we await answers, What about migration busts? We saw one come with the economic crisis following the oil shocks of the 1970s. Will we see one again in the wake of what is being widely referred to as the biggest financial crisis since the Great Depression? And if so, will the

2009 *Human Development Report* come to be seen as the high-water mark of the new migration and development optimism? 🌐

Notes

Alan Gamlen is with the International Migration Institute at the University of Oxford, alan.gamlen@qeh.ox.ac.uk.

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2. See Philip Martin and J. Edward Taylor, "The Anatomy of a Migration Hump," in J. Edward Taylor, ed., *Development Strategy, Employment and Migration: Insights from Models* (Paris: OECD, 1996), pp. 43–62.

3. See, inter alia, Hein De Haas, "Turning the Tide? Why Development Will Not Stop Migration," *Development and Change* 38, no. 5 (2007): 819–841.

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8. Martin Ruhs, "Numbers-vs.-Rights in Low-skilled Labour Immigration Policy? A Comment on Cummins and Rodriguez," special issue, "Mobility and Human Development," *Journal of Human Development and Capabilities: A Multi-Disciplinary Journal for People-Centered Development* 11, no. 2 (2010): 305–309.

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10. Demetrios Papademetriou and Philip Martin, eds., *The Unsettled Relationship: Labor Migration and Economic Development* (New York: Greenwood, 1991), p. xii; Alejandro Portes, "Migration and Development: Reconciling Opposite Views," *Ethnic and Racial Studies* 32, no. 1 (2009): 5–22, at 7.

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16. World Bank, "Global Economic Prospects 2006: Economic Implications of Remittances and Migration" (Washington, DC: World Bank, International Bank for Reconstruction and Development, 2005), p. xvi.

17. Peck and Tickell, "Neoliberalizing Space."

18. Amartya Sen, *Development as Freedom* (Oxford: Oxford University Press, 1999), pp. xvi, 366.

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