

THE BROOKINGS INSTITUTION
LEAVING HOME: THE IMPACT OF GLOBAL MIGRATION ON
ECONOMIC, SOCIAL AND HUMAN DEVELOPMENT
Washington, D.C.

Wednesday, February 24, 2010

PARTICIPANTS:

Opening Remarks and Moderator:

MAURICIO CÁRDENAS
Director, Latin America Initiative
The Brookings Institution

PANEL ONE: OVERCOMING BARRIERS – HUMAN MOBILITY AND DEVELOPMENT

Presentation:

JENI KLUGMAN
Director, Human Development Report Office, United Nations Development Programme

Panelists:

JOHN PAGE
Senior Fellow, Global Economy and Development

PANEL TWO: DEVELOPMENT ON THE MOVE: MEASURING AND OPTIMIZING MIGRATION'S ECONOMIC AND SOCIAL IMPACTS

Presentation:

LAURA CHAPPELL
Senior Research Fellow, The Institute for Public Policy Research

Panelists:

ELIZABETH FERRIS
Senior Fellow, Foreign Policy

JOSÉ TESSADA
Post-Doctoral Fellow, Latin America Initiative

* * * * *

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

P R O C E E D I N G S

MR. CÁRDENAS: Welcome to Brookings. My name is Mauricio Cárdenas. I'm the director of the Latin American Initiative here at the Brookings Institution. And as part of our activities, we're hosting this event on migration.

I should start by saying that migration is one of the top priorities for our research group, essentially because we think that this is one of the key areas in which policies in the U.S. could change for the benefit, not just of this country, but also for countries in our region, in Latin America.

As part of these programs of activities on migration, today we want to begin the discussion here in Washington of two very important and influential reports on migration that have been finished in the past few months. One, I will begin the session with that: the United Nations Development Program Report on Migration. The UNDP publishes an annual report that touches on a specific issue and a specific topic. And this past report is on migration. Jeni Klugman, who is sitting here on my right, is the director of those reports and as such was the person that headed this initiative on migration. I've had the privilege of listening to her presentation before and it's truly a unique piece in terms of the coverage of topics and new data that was assembled for that report. So it will provide us with a significant, very substantial source for the debate on migration.

I should say, too, that the more we know about the impact of migration in the sender countries, the better we can design policies in the developed world, in the receiving countries. The more we understand what the implications of migration are, what the motivations of migration are, the more we can also shape policies in ways that are functional, not just for the sender countries, but also for the receiving country.

So let me suggest that as we're going to divide this into -- we'll begin with Jeni's presentation on the UNDP report. And then we'll hear the reports from John Page.

As you probably know, John is a member of Brookings. He is a senior fellow here at Brookings. He was with the World Bank for a number of years. And at the World Bank he worked on many topics, but he had very, very important positions related to issues related to poverty and equality. And in particular, with Africa as a senior economist, as a chief economist for the North Africa region and for the African region -- sub-Saharan African region as a whole, also.

So I'd like to welcome Jeni, who, in addition to her position at the UNDP, also has a very remarkable career, also worked at the World Bank at one point. She has a Ph.D. from the Australian National University. And I would say, and this will finish the introductions, that these two panelists share a training at Oxford and both are Rhodes Scholars. So I guess today we'll have a fair share of that British tradition and we will see what the influence of that is. So welcome to Brookings and we'll start with your presentation, Jeni.

MS. KLUGMAN: Thank you very much.

Thank you very much. And I'm very happy to be here today and was quite excited about this invitation. We completed this report in October of last year and began to launch and disseminate then, but it's very nice to have opportunities to follow up and to engage with important academic and policy communities which I think are represented here today.

What I am going to do is to run over kind of some of the main messages of the report and then we can pick up on some of those as well in the discussion based on what John suggests. So I should also recall he was my boss for several years. We didn't challenge each other to any rowing races or anything like that, but an old friend and colleague.

I don't want to have too much assumed knowledge about the HDR, so I just

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

want to tell you what the Human Development Report is and what it normally tries to do. It's probably the most famous for the Human Development Index. And actually I heard someone remark or question "does this have the index in the back?", which is something that is quite eagerly awaited. But we also try and kind of steer attention toward a substantive theme of the particular report, which last year was on migration.

We did a lot of work in the report looking at patterns of mobility, which I think Richter was referring to, and I'll recall some of that. The work that we did on gains which accrue, but also the disparities that we see, and in particular then the scope for policy improvements over time. And then finally, since we've had several months to, if you like, digest the messages and to see how this has been received, I thought you might be interested to get a sense of the political and kind of media reactions to the report.

So the Human Development Report was launched in 1990, based very much and inspired by the work of Amartya Sen and led initially by Mahbub ul Haq, a well-known Pakistani economist and former finance minister. And it's covered a whole range of diverse and really quite ambitious topics over time, typically trying to deal with some major development challenges and then trying to bring a human development lens to that.

I might say that, in fact, it does have quite broad readership and this is a slide on which we had actually some interactions with the Research Development in the World Bank recently. But it's a graph which shows -- which compares search terms. The World Development Report, the Human Development Report, and the Human Development Index. I don't know how well you can see, but just to let you know, the red line is the WDR, the blue line is the HDR, and the green line is the HDI. And so clearly in terms of -- if you like popular reach and kind of broad dissemination, the HDI, as well as the HDR does well, I think. This represents in absolute terms -- this is normalized over time so that's why you don't see the increases. Normalized to the total number of Google searches. This is around

7 million for the 2009 report and almost 300,000 downloads of the report, which is translated into 12 languages.

So these are the respective reports over time. And I think one reason why the HDR is quite popular is because it has a tradition of offering alternative analysis and in particular alternative policy recommendations. And there clearly does seem to be some appetite for that around the world.

So when we looked at -- when we began to look at the topic of human mobility and human movement, the starting point and the one which is very obvious, but striking, I think, and important to mention is that the world distribution of opportunities is extremely unequal. And it's important to bear that in mind in thinking about the kind of motivations for movement and, if you like, the underlying structures. We can see that clearly between developed countries, but we can also see it in particular neighborhoods. The example given here with respect to Myanmar and Thailand also shows that within developing regions there are also very significant motivations for people to move, not only in terms of income, but also in terms of expected gains in education and health.

And what we see, not surprisingly, is that this inequality is a key driver of movement. And we have quite a nice graph here which I think illustrates this quite graphically. In fact, this has been prepared in earlier work. And what it does is estimates the Human Development Index, which is a composite index of income, education, and health, simply speaking at the municipal level on either side of the southern border of the U.S. Without seeing where the border is drawn you can see that the municipal HDI is systematically higher on all sides on the north side relative to the south side, even though some of these parts of the U.S. are clearly among the poorest in the U.S. as well.

And what we did in the report and what I won't spend too much time dwelling on today is look as well at mobility within countries, which is also very striking. In

fact, as I'll mention shortly, the numbers are even significantly larger than the total estimates for international migrants. A well-known case of this, of course, is in China after the lifting of residence restrictions where there were very significant movements from poorer parts of the hinterland, in particular, to the coast. Again, people moving toward greater opportunities.

So what we did was to think about how we could add value to these observed empirical patterns and ongoing debates. And I guess there are three things that I would kind of highlight at the outset. The first is that -- and you'll see this kind of argued in greater detail in the first chapter of the report -- is that we looked at being able to choose where to live as a key element of human freedom. Those of you who are familiar with Amartya Sen's work, development and freedom (inaudible) this idea of expansion of capabilities.

So we looked at the decision as to where to live as a key element of that. We didn't proceed then to advocate for the abolition of national borders, but used that as, I think, a key orientation of what we were trying to do. We also were very keen to look at the impacts of movement not only on income, which have been done very well in particular through the more recent work of the World Bank on remittances (inaudible @ 0:11:31), but on broader dimensions of human development, in particular, education and health. And then we wanted to see whether or not we could come up with policy recommendations that could be politically feasible on which there could be some traction and movement over time. Because coming into the debate, admittedly as something of a novice, there seemed to be a lot of fragmentation. And I think not necessarily very constructive dialogue around some of the key issues.

Of course, what we find in practice is that there's huge variation of circumstances surrounding movement. And a key stylized fact is that whilst the poorest have the largest incentive to move, it's typically most difficult for them to move. And when

they do move it's often under irregular or illegal circumstances, which raises a lot more risks and costs. It's also the case that movers can end up worse off in absolute terms. And that's well documented in the case of trafficking, in particular. In the cases of conflict it's a bit of a mixed story insofar as people who would be unable to move in the wake or in the threat of conflict would be worse off if they had not been able to move. And typically when you look at the figures from camps where people are cared for or served by UNHC or other agencies are actually doing relatively well compared to where they came off. But the broad picture is about this kind of paradoxical, kind of constraints or restraints on people moving at destination, but actually also at origin, as well.

And then just to the macro picture about who moves and kind of where and why. There was somewhat surprising facts, I think, when we started working on this. The impression I think from the U.S. and from Europe is that all of the movement in the world is from developing to developed countries and that's increased hugely over time and, you know, there's been large shifts in these. In fact, what we see when we go back over the last 50 years -- we went back to 1960 -- is that most of the movement in the world actually is not happening from developing to developed countries. It's not actually even happening between countries. We produced estimates for the first time of the number of internal migrants using census data covering I think about 70 percent of population of the world and came up with a figure which is about three times higher in terms of the numbers of migrants. And you can just see here -- the only thing to take away from this graph is that the rates of internal migration in basically all of these countries are much higher than the rates of immigration, people who exit. The only country where it comes kind of somewhat close is that of Mexico where the rates of immigration are higher.

But then among international movers, which is the focus here today, only about 40 percent -- fewer than 40 percent, I think it's about 37, 38 percent, move from

developing to developed countries. Although this has increased over time. And so what you find in practice is that most of the movement which is happening is actually within regions. So most of the movement in Asia was within Asia, most of the movement in Africa was within Africa, and likewise with respect to Europe. The main exception here, which is, I guess, relevant to the Latin American Initiative, is the case of Latin America where there is significant movement to the north. But that's kind of the exception when we look at the broad patterns around the world.

So when we look back over time I think one important point to make is that the share of the world's population who's living in a country now different to that in which they're born has not increased since 1960. So it was about two percent in 1960 and it's about two percent now. Clearly the world population has increased so the absolute number of migrants in the world has increased. But this -- I think this is an important point to make. Another point to make just as an aside is that the share of women who are moving has also not changed over time. It was about 48, 49 percent in 1960 and it's more or less the same now, although there have been changes in particular countries.

One thing that has changed, however, is that the share of people going to developed countries has increased over time. And there's a table which shows the trends here which you can also find in the report.

I think I should speed up probably.

And what we find is that on the one hand the dispersion among countries, in particular divergence in incomes, has been an important driver of movement. On the other hand, policy barriers are often being tightened as well.

And the broad picture in terms of policies that we see are one where countries are welcoming skilled people and limiting the entry of unskilled people. And this was the case -- this is the case in developed countries. It's also the case in developing

countries. We did a policy assessment which -- well, we had quite good information already on the OECD countries because the OECD and other agencies have done very nice work on the kind of policy regimes. Very little was known about these major developing country recipient places, like South Africa, Thailand, and so on. So we -- Russia. So we did a policy assessment to cover those places and we found I think some quite interesting results, but similar patterns as well. In a sense they're mimicking the developed country approaches in that sense.

Going through the gains -- I won't go too much into this because I think Laura has documented and in the IPPR Project quite carefully the nature of the gains and so on which accrue to people who move, and they will be well known to people in this room already. But broadly speaking, the stories of significant income gains and obviously the gains being highest for those who come from the poorest countries. We find these as well for internal migrants. We did a commissioned study on Bolivia with respect to that.

But an important point to make here in thinking about the financial gains or the potential financial gains is that the net gains are significantly reduced by the costs of moving. And what we see -- and this is something which actually was quite surprising to me -- is that the costs in terms of the fees and requirements and so on which are imposed on individuals who are moving are very, very significant. And in particular for those who are low-skilled.

And so here we have a series of examples in Southeast Asian -- Taiwan, Malaysia, Singapore -- where we looked at the costs facing a low-skilled worker from Indonesia seeking to move to one of those places. This is as multiple, future, monthly salary expected in the new place. So this is the new higher salary. And you can see that it's at least six months worth of wages. And the other thing to bear in mind is that the visas and the conditions under which people are moving are very limited in duration. So the most they

can hope for is, say, a two-year contract. And they're spending at least 25 percent of this basically on various sorts of fees and so on. So that's clearly something which is reducing the gains.

On the human development side with respect to education, health, and empowerment, we also found significant increases among people who move. Not only those who move to developed countries, but also for these movements within developing regions, for example, Nicaraguans moving to Costa Rica. However, these absolute gains can often be alongside relative disadvantage in the new places. And that's also very well established, I think, in particular through studies in the U.S. and Europe.

What we did in this policy assessment is look at different types of migrants and whether or not they have access to different sorts of services. And the broad story there is that permanent migrants and high school migrants, not surprisingly, typically have immediate access to various sorts of services, whereas temporary and irregular migrants, this is not the case. And this seems to be the story in developing countries as well as in developed countries.

Looking to see the impacts on places of origin, there's very nice, I think, and rapidly growing literature about the impacts of remittances on development. Again, that's something that the Development on the Move Project looked at in detail. Of course, when you look at the distributional effects it's a bit mixed. In particular, because the poorest people are often unable to move. So the money is not necessarily going back to people at the bottom of the distribution.

We looked at the arguments around so-called brain-drain. And saw this more as a symptom of weaknesses in service provision and financing at home and didn't see limitations on skilled immigration as being the best way forward. We can talk a bit about that. And then there's also quite nice stories from case studies and so on about kind of

transformational impacts really of ideas which flow from migrants, either directly or indirectly as a result of greater mobility.

And then finally, but, of course, not least because there's an important policy reform agenda in the destination places, we looked at the impacts there. And as you know, again, there's lively debates, in particular in the U.S. about the effects. We updated some earlier numbers which have been estimated by the World Bank and I think presented regionally in the Global Economic Prospects Report about the gains from migration. We also did some studies which looked at the extent to which investment and employment responds in the short term to increases in migration. They more or less found a one-to-one relationship so there didn't seem to be any crowding out at the aggregate level. Of course, it depends very much on the composition of the migrants, and in particular the complementarity or the substitutability of the skills.

But in general it seems to be the case that substitution is fairly unlikely; that typically there's enough difference among different types of -- among workers, even if they have ostensibly similar levels of education, for example, that this crowding out effect is not large. And when it does exist, it tends to be quantitatively small.

Of course, one challenge that we have when we're writing this report -- I kind of arrived at the office and they said, well, the report is on migration. And I said, fine. And then the crisis was getting worse and worse over the course of doing this. A lot of the literature which had been done had been written kind of basically during the boom, and so it was very different economic circumstances certainly for the destination countries and their kind of labor demand.

So I guess what we tried to do is to look at, well, one, what's the impact of the crisis. The impact of the crisis is clearly significant. And this graph here, which is in the report basically, shows that a number of the countries which are very important destination

places, including the U.S. and Germany, are ones which were hit badly by the recession. But then beyond the crisis, clearly the underlying trends will continue to persist. And we were talking about this briefly before the panel. And the key one clearly is demographic, which is one which is looming very large for Europe, as well as for Japan and other countries. And on the other hand, youthful and growing populations in the developing world.

And so what we tried to do in the report in terms of positioning is to suggest that we should be thinking about a long-term agenda. That reforms are not going to happen now; they're not going to happen necessarily this year. For example, in the U.S. But there's an important underlying structural agenda which needs to be addressed.

So not surprisingly, given the sorts of things that I was talking about, the core package which we recommended tried to pick up on the key things. We tried to avoid being encyclopedic, so we tried to pick up aspects which would in particular benefit people from developing countries and low skilled because that really seemed to be where the needs were largest. For high school people, you know, even if you're from a relatively poor country, it's not that difficult to move around.

And one key -- the kind of -- the initial point was about liberalization and simplification of channels. We looked -- and I'll give an example in a moment as to how that can work in practice, in particular for the low skilled.

We also saw and kind of underlined kind of the basic human rights of migrants, which are enshrined in conventions which are decades old. So even if countries don't want to sign up through the conventional migrant worker rights from 1990, if you go back in time there are lots of basic provisions in human rights law which should be accorded to people who move, even if they're there on a regular basis. And then not surprisingly we also picked up on this point about transaction costs and so on.

And then on the other side we also tried to emphasize or kind of highlight

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

some of the programs which can be picked up and promoted in destination communities and countries which alleviate certainly any adverse distributional effects and enable people to prosper after they move.

On the low-skilled workers, this is kind of seasonal work which is quite well-established, but the one I guess which we thought was a bit more interesting was the idea of expanding visas for low-skilled people condition on labor demand. And so the idea is not kind of unmitigated opening, because clearly that's not going to happen. On the other hand, most of the countries that we're observing are the demand for low-skilled labor or the demand for low-skilled people from abroad significantly exceeds the number of visas which are being granted. And the U.S. is an obvious case of that.

So we kind of looked at different models around the world where there were kind of tripartite or other processes whereby kind of the needs could be considered. Not only those of employees, but also those of unions as well in case there's concerns about undercutting and so on. But the idea here in distinguishing from, for example, the literature and the debates now about temporary migration, is that we were quite firm on the provision of pathways to permanent. So once people come, the expectation is not that they be rotated in some sense, but the condition on whatever requirements the destination government might like to impose which could include labor market record, lack of criminal record, you know, they can think about which aspects they would like to emphasize. That having these pathways to permanence were essential, not only for maximizing the gains for the individual migrants and their families, but also for the destination communities. And so that was an important aspect of our argument.

And then we also tried to look at the issues around the so-called stock of people who were already in countries who were irregular and talked about the possibility of so-called earned regularizations. And it's similar in proposals to those, for example, which

immigration policy institute has been putting forward as well.

On the basic rights side I've kind of mentioned this, I think the thing which is really quite striking coming into this admittedly quite cold is that there's basically no appetite at all as far as I can tell from multilateral kind of agreements or provisions to deal with the sorts of issues that I'm talking about. At the same time there are basic human rights conventions and the protocol on trafficking is a notable exception because that came about only in 2000 and very quickly it's the third one here -- it has very quickly gotten lots of ratifications. Whereas here we can see the Convention on Rights of Migrant Workers and their Families from 1990. And that's language kind of at the bottom here.

So, you know, there's been various ways of trying to kind of move the dialogue forward at the global level, including the Global Forum on Immigration Development, but bringing in and forcing new treaties doesn't necessarily seem to be the most fruitful way to go. But what we argued is that there are strong clauses in existing conventions which have already been approved which provide important protections.

So can this be done? Just very quickly. I mean, clearly there's a concern about opposition and popular concerns about migration. What we did was to look at some of the underlying data at Public Opinion. We analyzed the World Value Survey, which has some quite nice questions about this. We also looked at evidence which are being collected by the Transatlantic Academy. And broadly speaking what we found is a more positive story than what is normally coming out of, you know, certainly tabloid headlines and so on. That people generally supported immigration when jobs were available. The people preferred permanent rather than temporary migration.

These are some results here from the Transatlantic Academy. And what we also saw from other parts of the literature is that opposition to migration is often shaped by misunderstanding about the consequences. So, for example, fear about displacement

effects and the labor market where that's generally not the case. So what we tried to do was to kind of shape the core package so it did respond to these concerns which are important and obviously do affect the prospects for reform.

So finally, receptivity. It's been launched around 70 countries in the world. I mentioned that there's been pretty good kind of take-up and interest in the report. In terms of the media coverage, it was broadly speaking quite positive. We've kind of tracked around a thousand articles plus which have been published on different aspects of the report. And they did seem to pick up these key themes around potential gains from migration, rights and regularization, and so on. As well as this idea that there's an important long-term agenda. So there seemed to be certainly some receptivity there.

And then we also had some quite nice editorials as well. And I've just mentioned a couple here where kind of major newspapers here -- the Irish Times and then the Times of India -- kind of very much picked up on the importance of the reforms even if this was an economically difficult time.

Thank you.

MR. CÁRDENAS: Thank you. (Applause)

Let's now move to the comments by John.

MR. PAGE: Well, thank you, Mauricio.

Let me begin by saying that it is difficult to underestimate the importance of having the U.N. and the U.N. Human Development Report take up the topic of migration. As Jeni points out, people have always moved. For as far back as we've been keeping record there have been movements. My good friend, Gobin Nanconi's father walked from his small village in India to Akra, Ghana seeking better economic opportunities back in the 1930s.

But economists and international economic policymakers have been very late to come to that recognition. When I did international trade and international finance,

goods moved, people didn't move, and money didn't move. Since I'm a lot older than Jeni, by the time she got to graduate school, people and money moved -- excuse me -- goods and money moved, but people didn't move. And that really forms, if you like, the intellectual architecture of the way in which economists have looked at the migration issue. Extend that, it also in a sense informs the way in which international policymakers have looked at the migration issue. And I'll come back to that when I talk about the policy prescriptions because as Jeni pointed out at the end of her talk, compared with international thinking in terms of trade policy or international financial policy, nation states have been largely unwilling to look at the question of multilateral solutions to the migration problem or multilateral means by which to improve the development impact of migration.

So it's quite important that an organization like the U.N. take this up. And at a level in which we can, I hope, move the debate forward to a broader consensus that something beyond bilateral solutions are needed in terms of migration policy.

Now, as Mauricio said, it's a very ambitious report. What I'll do is take two or three minutes just to talk about some of the ideas that have come up in my mind in reading it, some minor quibbles with the way in which they've taken up the work. But then use the bulk of my time, about five minutes, to talk about the policy implications of the report.

The first thing is they've spent a good deal of time and effort to tell us something which in a sense is important, but I'm not sure what to make in policy terms of it. And that is that internal migration dominates migration across borders. The reason why I'm not sure what to make of that is if you say that to an economist who is trained in development economics, at least before the current generation, structural transformation was always a significant element of the development process. The movement of people from low productivity to high productivity workplaces, generally from agriculture to industry, drove such things as the Lewis Model. So internal migration is in a sense part and parcel of

the development process. And the question there I think is quite different in terms of national policies that promote structural transformation as part of the economic growth.

It's interesting (inaudible) simply to note that economists are now beginning to rediscover structural transformation as an important element of the growth process. We've gotten away from single equation cross-country growth models and realized that most developing countries have at least a high productivity and low productivity sector. But that's quite different than migration across borders in both policy terms and in terms of impact.

Where I do think the report adds a great deal is by pointing out that with the possible exception of Latin America, most migration takes place among developing countries. And generally, among neighboring developing countries. The reason why this is important -- this has very important impacts for south-south collaboration. For regional integration, agreements among developing countries. And to my mind at least, certainly from an African perspective, raising the significance of the migration agenda when one talks about the regional integration debate, just to give you a particularly unusual and out of the box reason for worrying about this.

Tony Venables and Paul Collier in a series of recent papers have been arguing that African cities are too small to actually benefit from the productivity and (inaudible) improvements that come from agglomeration economies. How do cities get larger? By having people move into those cities. What prevents those cities from getting larger? Small countries have small cities because they have borders.

If Africa aspires to compete internationally in manufacturing and high value-added services, it's going to need larger cities. To do that people will have to move. To do that migration has to take place among African countries. And that becomes a key issue for a multilateral solution at least at the regional level. It's a complicated problem, but it's one that deserves considerably more policy attention than it's been given. And again, just

underlines the fact that so much of migration has been basically the domain of security and culture, not the domain of economics.

So I think that's a very important contribution of the report to point out that while much of the heat, and certainly not much of the light on the migration debate, comes from about 40 percent of migrants, there's a very strong and important agenda of south-south migration that needs to be addressed.

I was a little struck by the title of Jeni's slide on migration and development, that it's not a substitute for development. And I certainly agree with that. I think it's a part of the development process. And the work that Laura and her colleagues have done, which we'll talk about in a second, I think you'll find some very striking and important results.

Just a couple of things to add to the points that Jeni has made. While it's quite true that most households in the bottom quintiles of the income distribution do not supply the bulk of migrants, and in some countries, in fact, very few, if any, migrants come from the bottom two quintiles of income distribution. What we also find today is an extraordinary finding which is that at least in countries like Ghana, 50 percent of the households that receive remittances do not have a migrant from the household. Extended family structures in certain parts of the world actually provide a sort of broader safety net that comes from remittances than would be in a sense intuitively plausible given the distribution of migrants. And that simply raises a point which is that we need to understand the impact of a migrant, absence or presence in a household, quite distinctly from the impact of a presence or absence of remittances received by a household. The two are not perfectly correlated, and they have different policy, if you like, results or implications for the receiving countries.

Having said that, I was a little bit surprised a bit to find the emphasis in the Human Development Report on the human development outcomes of migrants in the

receiving countries. Because I think to my mind, and I hope Laura will talk a bit about this, the really interesting implications are the human development implications for households in the sending countries. And here we have very sketchy evidence, but some of it's quite intriguing, including the fact that households with migrants in North America, from Mexico and Central America, appear to have better education outcomes, better women's education outcomes, and better health outcomes, than households that do not have migrants. Villages that have large proportions of migrants appear to have better outcomes in households that don't have migrants in villages that have small proportions of outcomes.

That suggests to me behavioral changes that are coming as a result of migration, not simply income changes that are taking place. And it would be important and interesting to know about that because it comes back to the question of the role of migration and development.

Finally, a point that the report makes which is very important: ideas, contracts, and trade. The role of the diasporas is, I think, fundamental to understanding migration and development. And we can see it in every part of the world, from the famous India expatriates who have now returned to Ethiopians, to Latin Americans. People bring ideas; they bring trade contacts; they bring capital; and they bring entrepreneurial behavior, which may not be characteristic of the society.

So thinking about how one can make it easy for migrants to return and attractive for migrants to return is also part of the migration and development policy mix. What this leads me to in the end is the question of whether or not at certain phases for certain countries a migration-oriented development strategy is possible. Think Rwanda for a moment, a landlocked country with relatively high human capital with a policy of educating people in three languages: English, French, and the local language. The reason for doing that, if you ask Rwandan policymakers, is to make Rwanda a back-office services center.

But the alternative, which could be quite by accident, is it becomes a source of highly skilled migrants whose remittances support the economy until as a landlocked country they can find the market niches that they can occupy to export goods that embody these characteristics and qualities, rather than simply the people themselves. Think Jordan, if you will, for a moment, a country that has had a strategy of doing that quite successfully for nearly 50 years.

Let me then just turn to the form agenda for a couple of minutes now is all I have. To come back to my central point, in international economics, migration is the only multilateral issue for which there is no multilateral framework. All migration policy is inherently bilaterally. Occasionally you find a trilateral policy, but it quite simply begins with a nation state and with agreements between nation states. They are quite elaborate agreements, for example, as between the United States and the Philippines, and there are very rudimentary agreements, as between many neighboring countries in Latin America, and Africa, and in Asia.

But it's quite difficult. And as Jeni said, there's really no appetite for raising this to a multilateral issue. Nevertheless, I think that certainly people like the U.N. -- I think institutions like Brookings, I think others, should be advocating that far more attention is paid to multilateral solutions than has been paid heretofore. The reason for this I think is twofold. All of the suggestions are made, for example, with facilitating the movement of low-skilled workers are sensible and I think worthy of being adopted. But if you actually were to adopt those you run into something which might be characterized as terms of trade shocks and people.

Think for a moment of the Gulf War. The Jordanians picked the wrong side. The consequence of that was that 450,000 Jordanians returned in one single year from the Gulf to Jordan as a consequence of being expelled. These were migrant workers

who largely had rights. The institutionalization of their contracts was very clear. But for political reasons they were simply expelled from the country.

It's like a trade embargo, except it's an embargo which imposes a very high human cost. Bilateral treaties and recognition even of the existing human rights protocols will in no way solve that problem. And so again, coming back to my query, can you have a viable strategy in which migration is a part of your development process? Unless you have somewhat more assurance that you can avoid these kinds of political shocks, you're very, very unlikely to find that a long-term and attractive strategy, even if in fact it's the optimal strategy.

A quick mention of the issue of the brain-drain. There's no migration issue which generates more heat, more passion, and less information than the brain-drain. I think it's important simply to keep in mind that it's very likely that different kinds of skills have different sorts of effects on both sending and receiving countries. And blanket policies that deal with "the brain drain" are probably not appropriate. What, in fact, is probably appropriate is custom-made policies that deal with health care workers in a quite different way than one would deal with educators or engineers.

Finally, links between development assistance and migration. At its most primitive level I have heard members of the OECD DAC claim that remittances should be included as overseas development assistance. Because countries with more open borders therefore are more hospitable to development outcomes that come from migration. At the other extreme I have seen countries from the OECD DAC that have designed their development assistance programs with a specific idea in mind of reducing immigration from sending countries.

It's important, I think, to think about these as complimentary activities. And whether it's low-skilled or high-skilled migration, to think about how development assistance

and migration policy can work together, rather than being one at the expense of the other or migration outcomes as an objective of development assistance.

I think I'll end there.

MR. CÁRDENAS: Thanks, John.

Well, we have a few minutes for discussion, comments, questions from the audience. So I'd like to, you know, invite you to raise your hands and ask your questions if you have any.

Yes?

MR. OLDEN: I'm Ted Olden from the Council on Foreign Relations.

I want to commend you on the report, which I thought was a very important and innovative piece of work. A real contribution to the discussion over migration.

I wanted to push on the question of with respect to developed countries and the migration policies that they might adopt that would encourage development coming out of this framework, what would some of the lessons be? I mean, you mentioned temporary versus permanent migration. That programs for low-skilled workers should be designed with some path to permanent residence.

But taking the brain-drain question, for instance. We look at policies to attract foreign students. Should the United States be trying to keep those students because it's good for its economy? Or should it design policies that encourage students to come here, learn at our universities, and go back home? Did you look at all that, what would be a kind of developmentally responsible migration policy for advanced countries -- say in the United States, Europe, Canada?

MR. CÁRDENAS: Thank you. Let's collect a few questions before I give the floor back to Jeni.

Yes? The microphone is coming.

SPEAKER: When looking at forced migration, you know, particularly changes in geophysical characteristics of countries or regions, I was wondering if the report took into account, particularly looking out to the future, the impact of climate change. I mean, we're already seeing things like desertification, riverbeds drying up, droughts which basically reduce and almost wipe out food supplies in certain areas, which force some of the villages to move to the cities. To what extent has the report looked out to the future at some of the climate change characteristics?

MR. CÁRDENAS: Thank you. Anyone else?

Let me ask -- make a comment and ask a question. On the issue of the international migration dimension, which I think is a crucial issue from the point of view of U.S. policy. I have the impression that a key element, a key dimension here, is the legality versus illegality issue. In terms of many of the aspects that you cover in the report, say the effects of migration in the countries themselves, in the sender countries, in their households, all these effects that John was mentioning on education and health, even on well-being based on the measures of the surveys, the World Value Survey you mentioned, Jeni. I think there is a difference whether you are legal or illegal. Just think for example that if you're illegal you cannot go back and visit or if you go back, you can't come back. So I think we need to understand better the distinctions associated with this dimension of legality versus illegality.

The U.S. in a normal year needs about a million and a half migrants of which a million come legally. And half a million come illegally. And the reason why they come illegally is because there is demand. And we have to figure out a way of solving that problem, of solving that tension. And, of course, there is the issue of the flow of migrants, but there is also the issue of the stock of migrants that are already here.

I know this is one aspect of the migration problem. This is one aspect of

the report. But I think it's arguably the most important aspect from the point of view of this international dimension. I would say that much of migration problem is not even bilateral; it's unilateral. And so we have to make sure that these effects on other countries are incorporated and they're brought into the discussion. So I'd like you to make a comment on that particular aspect of the legality versus illegality.

MS. KLUGMAN: Well, thank you very much. Let me just try and respond briefly.

On the first question, I mean, in a sense what we were trying to do was to frame a development-friendly migration policy. And I think to get back to John's point, why the focus on the migrant? I mean, because we're looking at it as an expansion of capabilities initially from the migrant's perspective. Policies which improve both the processes and outcomes associated with movement for them so they could move on a regular basis that they could kind of progress and integrate in places of designation. An important element which improved not only kind of their own immediate and direct outcomes, but also would tend to improve the benefits at home.

And clearly the most important kind of aspect there and the gain -- and it gets back to Mauricio's point -- is the distinction between regular versus irregular. And kind of recognizing much more transparently and openly and somehow working out processes which are consistent with domestic, political, and other constraints and institutional aspects is, I think, the most important kind of single aspect that could be undertaken.

With respect to the high skilled, as John mentioned, there's a lot of hate, not much like. We were quite influenced by the work of Michael Clemens across the street who did a lot of work with us who I think is quite persuasive in pointing out both the reasons for skilled exit as well as looking at the long-term benefits over time of people who move. He's done surveys of doctors in the U.S. and so on. So that's kind of the broad line that we took

there.

On the forced migration and the climate change, actually, the previous year's report for which I was not responsible was on climate change. And so a lot of attention and obviously effort went into kind of understanding the nature and the policy implications of environmental change there. In this report I must admit we didn't give it too much attention. I think mainly because as far as we could tell from the evidence the movements which are happening as a response to desertification and kind of land degradation and so on clearly have environmental-kind of dimensions, but are also combined with poverty and kind of lack of assets and a whole lot of other things. So it wasn't clear that it was necessarily very different in terms of nature and drivers and so on. And the basic argument that we made was that the concerns around climate change are real and the policy agenda is real whether or not you're worried about migration as a result.

So it was kind of like a bona fide agenda in itself. Migration adds some important issues to that. But we didn't -- there are some reports which have come out -- Christian Aid and all those who have these kinds of horrendous estimates about numbers of people being kind of displaced by environmental degradation. They didn't seem to have a very firm basis so we didn't want to go too far down that route, but kind of more integrated into the analysis. But clearly it's very important and I'm involved in something now actually in the U.K. where they're looking into this in more detail.

I think that Mauricio's point on the legal versus illegal is very important. I think the only point -- a couple of points I would highlight. One is that it's clearly a major issue in the U.S. I think the interesting thing is that it's also a major issue in these other developing country destinations. So in particular in Thailand it's a big issue, in South Africa, and to a lesser extent I think in Russia as well. And in those countries it's because migration policy has not caught up with the structural transformation of those economics.

And so there is a lot of need for people to come from abroad, but, you know, they can't kind of conceive that people want to move and live in their country. And so it's kind of a somewhat different issue to the case in the U.S. where, you know, at least there's some degree of accommodation whereas there, you know, there's a long way to go in terms of policy catch up.

And I agree that it's probably the most central issues because I think it's -- well, on the one hand I think it reveals the hypocrisy of a number of destination country governments. And on the other hand so significantly erodes the potential gains and increases the risks for the migrants and in turn reduces the potential development gains that it's, you know, clearly I think the number one issue from that point of view.

And then just a final point, just to respond to John on the internal migration, in the actual report we don't spend clearly as much time on that as we do on the immigration. But I think one important point to make about why it's relevant in this context, and I think something which was very surprising to me is that the policy barriers which exist in a number of big developing countries, in particular China and India, are very analogous to the barriers which exist for international migrants. So, for example, people could move the same way that in effect, you know, people could move to the U.S. on a regular basis. But when they move they can't access services, they lose citizenship rights, their kids can't enroll in school and so on.

And so we found this in the case of both India, quite surprisingly, which has a lot of seasonal workers who are losing lots of rights and access to services, as well as in the case of China, which I guess is a bit better known because of the huku and the fact that you still have this so-called floating population which is very large.

Thanks.

MR. CÁRDENAS: Thanks very much.

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

Now we move to the second panel. I'm going to ask the members of the second group to join us here. Thank you very much.

While they seat -- let me say why I think this is a very complimentary approach that we're going to hear next. After listening to Jeni's presentation and the report from the UNDP, which takes a broad, comprehensive view of the issues, we're going to look at another report that builds an argument starting from a deep look at individual case studies. So, rather than beginning with this broad perspective, we're going to listen to a report that goes into the details of migration flows for a number of countries that are representative of different regions of the world.

Laura Chappell is the coordinator of that project. That project was called Development on the Move. And it was sponsored by the Global Development Network. And it was coordinated by the Institute of Public Policy Research. That is one of the leading think tanks in the U.K. Laura is a senior fellow there and has previous experience working on development issues, including working in developing countries themselves. So let me ask Laura to make a brief presentation of the main conclusions of that big comprehensive project, and then we'll move into our two discussions.

On my extreme right is Elizabeth Ferris. Elizabeth is a senior fellow here at the Brookings Institution in the Foreign Policy Program. And she's particularly an expert on internal displacement issues. She basically runs the program that Brookings has on that topic. She has vast experience working on these issues from the angle of human rights, humanitarian action, the role of civil society having worked with different groups throughout the years.

And José Tessada, who is a postdoctoral fellow here at the Brookings Institution also specializing on migration issues. He's an economist, who holds a Ph.D. degree from MIT.

So let's begin with Laura and the Development on the Move Project.

MS. CHAPPELL: Good morning.

Thanks for the introduction, Mauricio. And for having us here today to present this project.

As Mauricio said, the project is called Development on the Move:

Measuring and Optimizing Migrations Economic and Social Impacts. I'll just run you through a little bit about the two organizations which partner to carry out this project which is the Global Development Network, headquartered in Delhi in India and IPPR. GDN is the world's largest network of individuals and institutions working on development. And they've got about 15,000 members -- individuals and institutions -- spread throughout the world. And their objective is to promote home-grown development, research, and expertise.

IPPR, we like to say we're the U.K.'s leading think tank, but I shouldn't push that too far in case there are affiliates of any of our competitors. But we work across a diverse range of policy issues. We've had a migration program for about 10 to 15 years now, which tackles a variety of research and policy challenges around migration. And I've put just a couple of examples of the kinds of work that we've done within that program.

We did a project a few years ago called Brits Abroad, which for the first time mapped how many Brits were living abroad as migrants. The idea being to try to change the terms of the debates from sort of migration being British people thinking, well, this is just about people moving here and actually seeing this part of sort of a global exchange of peoples. And we proved there are actually 5.5 million Brits abroad, which are more migrants than there are living in the U.K.

The second one was a project we did for a documentary strand in the U.K., which is called Dispatches. And we did some analysis for them which looked at the 20 largest migrant groups in the U.K. and their economic characteristics and compared them

with British-born people. And prove basically that the majority of migrants in the U.K. are earning more, working longer hours, et cetera, than the British population. Again, trying to change the terms of the debate in terms of the way that migration is perceived.

And then the third example that I've put there is called Communicating Migration, which I think takes up the challenge that the previous two speakers mentioned, which is around trying to sort of get attitudes to change to create space for more progressive policies. And we're doing that through sort of in-depth work with communities in the U.K., understanding their attitudes and how to communicate with them about migration.

So that's just a range of the sorts of projects that we do in this area. We've also done quite a lot of work on migrations and pattern development. Say, for example, we worked with the UNDP, OECD, et cetera.

So that's the background to the organizations. A little bit about the project's aims and its structure. We've got five -- this project has five main aims. The first is to develop a better methodology for assessing the various economic and social impacts of international migration on development. And I'm not sure if you can see, but we bolded some of the words there. So we've bolded various economic and social impacts because we really thought it was important to move beyond the often economic focus. I've loved the work in this area. And also to try to look at a set of impacts alongside each other. So a lot of work looks to impact on one particular indicator. But we felt that for policy reasons it's more useful to be able to look at the impacts across a range of different development outcomes.

We focused only on international migration. We didn't look at internal migration. And we wanted to -- we focused particularly on development. And like the human development report, we actually used the capabilities framework.

So that was the first objective. The second objective was to use this methodology to build a better evidence base on these impacts. And as Mauricio said, we

did this through seven country case studies. I'll present the countries on a full-length slide. And each of those countries in-depth work was done, including through brand new nationally representative household surveys. And then we built on these seven country studies by doing some cross country analysis.

The third aim was to use this evidence base to really examine policy and to look at how policy can reduce migration's costs and increase its benefits. So policy was very upfront in the project.

Fourthly, we wanted to build networks on migration research capacity in developing countries on this issue because I think a lot of the work which has been in this area has tended to be driven from the U.S. and Europe despite this being a sort of key issue in development terms. So we wanted to make sure that researchers based in the developing world were able to be heard in this debate.

And then fifth, we wanted to promote multidisciplinary analysis. Again, to get beyond the sort of barriers between anthropological examinations and economic and trying to bring them together.

So turning to the countries that we studied. These are the seven countries. We worked with researchers in Jamaica, Colombia, Macedonia, Ghana, Georgia, Vietnam, and Fiji. So, quite a diverse set of places around the world.

And this just gives you a sense of the sort of -- the scale of what we've been working with. A variety of different stake holders that have come together to make the project work. So we had a range of different funders which were all finance or development or foreign affairs ministries in various different countries. Then we have IPPR and GDN as the two main partners coordinating the work.

We have the steering committee, which was a sort of very helpful sounding board in terms of pushing the project forward. And I should note that John Page was on the

steering committee, so we're very grateful for his assistance in that regard.

Then each of the countries -- there was a research team who carried out the research. And I should also note that Mauricio led the Colombia research. So we're very grateful to him, also. And in then each of those countries there was also a team who carried out the survey, which in some cases were the same people. Say, for example, in Macedonia, the same people who did the research and carried out the surveys, whereas in other places the research has commissioned a survey specialist to do it.

And then we also had a very clear focus in terms of bringing in other people, particularly policymakers. So in each country policymakers were invited to a workshop right at the start to give their inputs on what the key issues were that the research needed to address in that country and what sort of policies were being developed that this research might feed into it.

So that's the sort of scope in terms of what we're trying to do and the people involved.

Turning to Methodology, as I said at the beginning, we wanted to look at these various economic and social impacts of development, which we can see through a capabilities perspective. Which meant that we wanted to look across a range of impacts and we also wanted to look at a range of levels. So we thought it was important to look at the impact on the migrant themselves, and then on their households, and then on the wider community and society.

But that sounds very ambitious, so we had to make it a bit more concrete. And so the very first sort of exercise that we undertook was to try to map the impacts that migration might have. And that exercise led us to a sort of -- not like this one -- where we sort of brought out, you know, the quite, diverse, array of different impacts. And migration is said to have -- say, for example, it's been theorized that migration can have impacts upon

poverty, upon risk, on growth, on equality; then forced participation on trades, and that's just under the economic heading.

This sort of map allowed us to sort of see the range of things that we might try to investigate through our methodology.

We also spent some time thinking about the ways in which the impacts are transmitted. I came up with essentially, according to the current literature; there are six channels by which migration's impacts are transmitted. Three of those are direct channels, so immigration, people moving into the countries that we're studying immigration. People moving out and then return to migrant citizens of their countries who immigrate and come back. And those -- migration can have impacts on these channels, for example, if, as we take the brain-drain example, often thought of as an important way in which migration affects development. That would include -- involve the immigration of saying, no, this is from a particular country, but it's possible that that might be counteracted through immigration. Say, for example, in Jamaica they lose a lot of nurses, but they also gain nurses from Cuba, from Nigeria, and then there's also returns, so some of those nurses might come back. So there's the first three channels.

The second three are the indirect channels of impact. So sort of the most famous being the impact of three remittances. But we also wanted to focus on the role of other Diaspora transfers and actions. And this takes us to, again, to the previous presentation; things like the impact of Diaspora in terms of trade networks or the impact of you have to ask for three transmitted ideas or behaviors.

So that's the fifth channel. And then lastly, changing incentives, so the idea that the opportunity of migration might change someone's incentive. Say, for example, the incentive to gain education with the potential that if you can migrant if you have a high level of skills, your incentive to gain more skills increases.

So those are the six channels of impacts. And we tried as far as we could to actually look at the impacts through each of them and disaggregation migration's effects through these six channels.

So in terms of the research components, the most ambitious aspect of what we did was this nationally representative household survey in each of the seven countries. So in each country, thousands of households were screened. We went to people's doors and asked them basically whether they were migrants or not to give us a sense of prevalence of migration in the country. And then we went back to particular households, particularly those with migrants -- immigrants and returnees, but also non-migrants and interviewed them in-depth.

In each of the countries, between about 1,100 and 1,500 households were given this in-depth interview. It was a big interview. It had 178 questions which took on average a bit more than an hour to answer. We asked questions about all sorts of things -- the composition of the household, socio demographic information about household members, information about the household circumstances in terms of expenditure, in terms of use of financial services. And we also included opinion questions. We asked people what they thought of migration, and how they thought it was affecting the country, and what they thought government should do about it.

And then in each of the countries the researchers also carried out interviews with stakeholders to give a sense of sort of more qualitative depth in terms of what we might be finding in the quantitative data. And in each of the countries' review of the existing literature and data was carried out as well. A specific policy audit was conducted to get a sense of what was happening in terms of policy. And then workshops were carried out. As I said, for example, at the start, to engage policymakers and other researchers to sort of say what the key issues they should be focused on in the research were. So those

were the components of the research.

So turning to the comparative findings. As Mauricio said, in each country there is a set of in-depth findings for that country. And we have reports for each of the seven countries which are available. But we also have an overarching analysis which draws out what we learned as a whole. And I'm just going to present that here.

So firstly, one of the innovative aspects of what we were able to present was findings on the scale of migration because for almost all these countries the existing data is very poor in terms of the numbers of migrants. So you can -- I don't know how well you can actually see this. I don't know if you can see it very well. But in this table, in the first column, we have existing estimates of the total immigrant stock. So the total number of people from that country who are currently living abroad. To take Ghana as an example, currently in Ghana people tend to say there is somewhere between 960,000 and 4 million Ghanaians living abroad. So it's a really broad range in terms of the numbers.

We, in our work, were able to narrow that group down. So that's all immigrants who are currently living in another country. We looked to a subcategory of that in our research. So we said of that group, let's focus in on those who departed recently. So we focused on those who left in the previous 10 years and of that group, those who have left some people behind. So when they departed they left a spouse or a child behind. And we can look at how big that group of migrants is -- that group of immigrants.

So, for example, taking Ghana again we find that about 541,000 -- there are about 541 (sic) immigrants from Ghana currently living abroad who are in that circumstance, who have left in the last 10 years and left some household members behind.

We also estimate the total stock in each country of returned migrants. Say, for example, in Ghana we estimate that's about 877,000 people, Ghanaians who have previously lived abroad. And then we can also estimate numbers of immigrants. So in

Ghana that's 664,000 immigrants in Ghana at the moment. So that gives you a sense of what we were able to do in terms of numbers and migrants.

Turning to reasons for movement, we asked about the reasons that people had departed in the first place. And it's quite striking these were very consistent across the countries, even though one of the reasons we picked this set of countries was because they were quite different from one another. So we find essentially economic reasons are by far and away the most important reasons for moving. So employment sort of came out top as a reason for moving, then pay and the ability to remit. And then other reasons sort of in descending order.

It was quite striking that we found that the reasons related to sort of political and social freedoms came very low on the list, even in countries where you might expect them to be ranked a bit higher, which of course doesn't mean that they're not important, but maybe that they are perceived through an economic lens perhaps.

And then in terms of reasons for return. We also ask people why they came back. And these were really different across countries. So we also found that a lot of people gave other reasons. We have raised sort of a strong sense of why people leave. We're still trying to get scripts with why people come back. But first and foremost are family reasons. So to be with family members here who remain behind or because family members needed them, these are the top reasons for coming back.

It's striking that policy ranks very low here. So government or other schemes to induce people to come back are actually the lowest category of all. Some other policies are more important, say deportation you can see is a bit higher up. Or being bonded. Having a bond placed upon you is a bit higher up. The policy as a whole doesn't come out as a critical reasons for returning.

Then we have the question of who remits. And this very much supports

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

what John Page was saying before about the disjunction between having a migrant and receiving remittances. So the second column here provides the estimated proportion of all households in these countries who receive fund from one of their own absent migrants. So if you have a migrant -- the number of -- the proportion of households, you have a migrant and that migrant is sending money back to them. And that ranges from about 2 percent of all households in Colombia -- 3 to about 11 percent of all households in Georgia.

Then we also asked people, okay, are you receiving remittances from someone who wasn't previously a member of your household? And within each of these countries you basically find that in some places even a larger proportion of people -- of households say, yes, we're receiving money from someone who wasn't previously a member of our household. So you can see in Colombia more households receive money from this source; the same in Vietnam and the same in Jamaica. So it's really quite striking, the disjunction between receiving admittances and having migrants.

Turning to impact. I'll run through -- I'm running out of time, but starting with economic impacts. I've just brought out some examples here of the kinds of impacts that were found across the studies. First, looking at migrants own incomes, we found that typically these rise substantially so of the countries, typically between 70 and 90 percent of the migrants who left have seen increases in their real incomes. And a large proportion of those report substantial real increases in their incomes, not marginal.

Turning to households -- households that have migrants or that receive remittances also have higher incomes. Say, for example, in Georgia, households that have an absent migrant sort of report across the board that they're able to build up their assets. Say, for example, they're nine percent more likely to have a washing machine, but they're also more likely to have a DVD player, to have all sorts of assets.

Other economic impacts that we looked at -- receiving remittances makes

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

business ownership more likely. So you're more likely to have a business if you're in receipt of remittances. Say, for example, in Colombia. Receiving remittances makes you five percent more likely to have a bank account you use for business. One of the things that sort of -- people tend to be fearful about, especially policymakers is that receiving remittances or having a migrant might make a household less likely to be in the labor market. Essentially, the idea is that they become lazy or disenchanted or really that their incomes have already risen through their remittances so they don't need to be in the labor market.

But we actually don't find that that's true. Across the countries there seems to be no impact in terms of labor force participation or unemployment as a result of having the migrant or receiving remittances. And we also see savings rise as a result of migration.

Educational impact. We find that -- sorry. Having a remittance or having an absent migrant increases household educational spending. So they're able to spend more on education. For example, in Ghana, households with absent migrants spent more than 100 U.S. dollars more per year on education. However, this doesn't translate into impacts on school attendance. So it seems likely that it's associated with an increase in terms of schooling quality rather than in terms of quantity of schooling.

We also find that parental migration has an impact on school attendance. But this is different, in a different context. So in Jamaica, if your parent migrates, children are less likely to be in school. So perhaps through a lack of parental supervision, etcetera, the kids are less likely to attend school. But in Vietnam and Macedonia the effect is reversed.

In terms of health it's sort of a similar pattern here in terms of education. We find that health spending increases. We also find that spending patterns change. And this is where the impact of changed values seems to come in. Say for example in Jamaica, if you have return migrants in your household, you change your patterns of spending on

health to be more towards the kinds of health care that those migrants will have experienced in the countries Jamaicans go to which is primarily the U.S., the U.K., and Canada. And away from traditional Jamaican medicines. So it seems that it's largely a chain set of preferences as a result of having lived elsewhere.

We also look at the brain-drain questions around health. And we found that the effects of migration on health care provision differ by country. And the role of incentive effects seems to be important here.

It's possible that in Jamaica and Ghana migration has its negative impact on the provision of health care. But paradoxically, Vietnam and Georgia might want to encourage more health work and migration to increase the incentive to train as a health worker.

Briefly, turning to gender impacts, again, the interesting thing about values and the impacts of migration on attitudes and values, the vast majority of migrants said that their own attitudes toward gender have changed as a result of migration. So typically more than 70 percent of migrants say they're more committed to gender equality as a result of migration. Whether that's because they experienced positive, different agenda experiences when they were abroad or less positive. They report -- the sort of same trends. And in some countries it's far more than 70 percent. In Vietnam it's more than 90 percent. But we see that their behavior doesn't change so we ask household members about who does the tasks in your home. Who cooks? Who cleans? Who repairs the house? And it's not affected by having a migrant. So whilst people report change values. We don't see it in their behavior.

And then finally we look at sort of wider social impacts. For example, does migration split families temporarily or permanently? And we find that it does, but perhaps less than might be expected.

Just briefly, policy. We've got a few big picture policy implications which we think is sort of important to set out up front. Firstly, the migration does appear to expand the capabilities of migrants, their households, and the wider community. So the mindset that says migration -- we approach migration as a problem for development. For example, looking at it through the brain drain lens is not particularly helpful given the evidence presented.

But on the other hand, it's not transformational. And even countries with a high level of migration, poor opportunities there continue to drive people to migrate. And so our feeling is it shouldn't be relied upon as a development strategy, although I would be interested to have a chat with John about his views on that.

As we've seen, the impacts are really nuanced. They differ across different indicators and in different contexts. So intervention need to be carefully considered as a blanket approach is not that helpful.

And also, policy cannot control migration, which seems to come out quite clearly. It's more of a nudge strategy. Sort of successful policies work with what people are already planning to do, rather than trying to prevent those actions.

You probably can't see this so shall I just finish here?

MR. CÁRDENAS: Did you want to say something just to round up?

MS. CHAPPELL: I'm all right.

MR. CÁRDENAS: Okay.

MS. CHAPPELL: I can come back if people want to talk more about policy.

MR. CÁRDENAS: We'll give you the chance later. So thank you very much. (Applause)

Okay. Elizabeth, why don't we start with you?

MS. FERRIS: Sure. I'm going to offer some comments on forced

displacement which was touched on briefly in the World Development Report, not so much in the Development on the Move project, and make a few brief comments about the impact of forced displacement on economic and social development. We're talking about both refugees and internally displaced persons, or IDPs.

You know, there's often an assumption that these are pretty much the same, but there are fundamental differences. A refugee is somebody who has crossed an international border, who has a well-founded fear of persecution on the basis of one of five reasons -- race, religion, nationality, membership in a social group, or political opinion -- and is afraid to go home. There's an international convention that's been ratified by most of the world's governments. There's a big U.N. Agency, the United Nations High Commission for Refugees to protect and assist refugees who presently number about 14,000 million, including Palestinians in the world. In contrast, internally displaced persons are a far larger number of people, perhaps 26 million displaced by conflict. Another 40 million or so displaced by sudden onset natural disasters. There's no convention. Rather, there's kind of soft international law and what are called the Guiding Principles on Internal Displacement. People who obviously have not crossed an international border. They remain within their own country often are more vulnerable than the refugees, precisely because they're closer to the source of violence that displaced him.

Unlike the refugees, IDPs, or internally displaced persons, are the responsibility of the national governments. There is no U.N. Agency to provide assistance or protection across the board. And even in cases when it's those national authorities who are responsible, at least in part for the displacement, under international law they're responsible for caring for them.

There's a lot of concern right now in the humanitarian community about so-called climate changed induced displacement. Lots of conversations going on. I agree with

Jeni very much, that most of the research on this is more speculative than based on really sound methodology. There are at least two, maybe more, draft new conventions floating around to deal with the situation which might occur in the future of people forced to leave their homes because of the consequences of climate change. Right now, the 500,000+ Haitians who have left Port-au-Prince for other parts of the country are IDP. But people leaving for exactly the same reason who get on rickety boats to come to Florida are not considered refugees. See, if you're fleeing from an earthquake a natural disaster that is not grounds for refugee status. Many have worried about this kind of gap in international law and wonder that if the numbers increase dramatically if there might be a need for some new legal framework.

Let me make four quick points on the relationship between forced displacement and economic social development issues. You know, usually we see forced displacement as a whole different ballgame. These are humanitarian issues where the response of the international community is to deliver assistance quickly in contrast to long-term migration which is usually seen in terms of a development perspective.

Actually, point number one, the boundary between forced displacement and economic migration is often very blurry. People leave because of violence, but violence also disrupts markets and destroys livelihoods and people leave for reasons that might be most immediately economic, and yet resulting from the conflict going on.

So research we did in Syria on Iraqi refugees who had fled the deteriorating conflict situation in the country between 2003 and 2006 said, yes, we left because we were afraid of the violence. But many of them also said we left because we couldn't get medical care. We left because -- or lost our jobs. We left because I could no longer run my business. So the motivations for leaving are often quite mixed.

In terms of economic impact, as Jeni mentioned, the impact on those who

were displaced is usually pretty bad. At least in the first few years after displacement. Here in the U.S. we have many, many cases of resettled refugees who were doctors or accountants in their home countries, who come to the U.S. and because of problems in getting their credentials certified, end up driving taxis or working in Wal-Mart and so forth. Some of those differences -- most of those differences fade after several years. And certainly, by the next generation it's usually very different.

For those displaced internally. They also face particularly economic difficulties. Almost by definition, someone who is displaced, has lost his or her home and needs some kind of shelter. They also lose livelihoods. Often lose documentation so they go to enroll their kids in school and the principal says, yeah, we'll take your child. He's a citizen of this country after all. But we need that certificate from his former school saying what grade he was in and how he did. And the IDP says, well, gosh, you know, in the heat of the conflict I forgot to pick up the report cards. Having documentation is key to accessing services. And for many IDPs this is a major issue.

Often they face discrimination in their place of displacement. And looking, for example, at some of our own Americans who were displaced as a result of Hurricane Katrina, the 1.3 million or so, many of them reported discrimination after the welcome began to wear a little thin. He was a student at Tulane and went to Texas. A very warm welcome from Texans for the first few months. And then about the second year there began to be cases of discrimination in employment. Or POB asks their cell phone numbers and if it was a New Orleans prefix, they would be encouraged not to apply for particular positions. Perhaps the normal response is as the burden of caring for displaced increases.

Forced displacement has economic and social consequences. But we're now calling displacement effective communities. The communities from which people live. And people have mentioned here brain drain. But when you look at forced displacement.

There are also issues about the ethnic and sectarian composition of communities after people have fled. Particularly when they fled for those reasons.

There are impacts on the communities which host refugees and IDPs. You know, the word "host" is a nice word. It's a warm word, a welcoming. But we don't really know the extent to which the impact of displacement affects that warm welcome for strangers. In Pakistan last year we saw 2 million people displaced in two weeks, a really overwhelming local capacity: health services, roads, people-sheltering schools so schools were closed. A tremendous impact on those communities. And there's an impact on communities to which refugees and IDPs return.

About a year ago we had a meeting in Colombia with the mayors -- municipal authorities. And one mayor said, quite passionately, we have a return emergency. We have so many IDPs coming back to our community and we have no funds to pay for them. Teachers in the schools to provide housing that the impact on the community to which people return can also be dramatic.

We know that in cases such as Darfur that the establishment of camps is changing the social and economic landscape probably forever. IDPs in camps get higher levels of services than those left behind. Camps can really serve as a magnet, kind of a pull effect. I think if that the conflict in Darfur the economic and social consequences of the camps and the provision of humanitarian assistance through camps would be with us for a long time.

We don't know very much about remittances, but the research that's been done shows that remittances sent by the Diaspora to families back home can be important in their survival. And sometimes important in sustaining the conflict. In other words, money spent by Diaspora groups can be used by insurgent groups to provide the arms to make the wars last longer, if you will. And finally, just to say that solutions for forcibly displaced

people, whether refugees or IDPs are all about development. They're about providing livelihoods and jobs and infrastructure to people who do return.

We found, for example, some of the scarce survey data available on Iraqi refugees that more and more Iraqis are saying the main reason they're not going home has nothing to do with politics or violence or threats or even fear of their own personal safety. It has everything to do with the standard of living they can expect, the jobs that they aspire to, the ability to have their children go to school. And answers to those kinds of questions aren't provided by the humanitarians who do a great job at providing water and immediate food. But the long term development is needed to provide solutions for displaced. And frankly, we do a lousy job in that transaction from emergency response to development.

Thanks.

MR. CÁRDENAS: Thank you. José?

MR. TESSADA: I read the brief report that Laura sent. I must say that I enjoyed it a lot. I haven't worked a lot on migration in developing countries. Most of my work has been on the U.S. But one of the things that really struck me is the fact that they basically managed to put together a big set of data from very different countries. And so the basic point of, I guess, the report is basically about people moving. It says Development on the Move. And it focuses on the sending countries. And I think that's really important because that's mostly where a lot of the action and most of the questions that we want to understand are basically about the sending countries.

Even though I must admit that for part of my own work I think that there's a lot of things that, maybe academics or people more into research know about what are the effects on the receiving countries, but they're not out on basically on the public discussion.

So they focused in on those left behind and they particularly seem to focus on the families or the relatives or some households. And they look at several dimensions. I

think that's really important. I really like most of the results that are out there, and I would really, really enjoy, I guess, reading the more detailed report about each country. Why? Because I think that this kind of initial evidence shows a fair amount of stuff that I think is very interesting and very thought-provoking. And I'm going to explain why.

So amongst my favorite results, my favorite things that they presented, is the fact that there is a significant heterogeneity in the reasons to migrate and the reasons to return. And I think that's very important because one, it reflects the fact that not everyone who moves is the same. And I think we tend to fall into stereotypes and that's something very normal, but I don't think that's basically a good way to describe migrants. I think they're very, very different. And also a lot of heterogeneity in the effects. So it seems that in some places there is the positive effect on schooling and in some more places there's a negative effect on schooling. And I believe that that could actually be very connected to the fact that there is large heterogeneity in the reasons to migrate. So there seems to be dominance for economic reasons, but there are other particular cases. And what struck me, and I was talking to them before, was the fact that if you for example were looking at the slides that you presented, in Vietnam there is a fair number of people that reportedly migrate to marry. And that actually may have an economic reason behind. Maybe not. But it probably represents a very different cultural reason.

Why do I think that could be important? Because, for example, the behavior of remittances of someone who moves to work somewhere else could be very different from the behavior for remittances of a son or a daughter that moves to marry someone else. And that is connected to what John said and what has been floating around in most of the comments which is, we need to understand separately migration from remittances. They're tied, but they're not the same. Okay?

I'm going to say a little bit more about that in the next slide.

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

They have own estimates of migrant stocks from household surveys. This is very important because most of the numbers we have actually come from the decennial Censuses. So the fact I was actually able to pull your numbers is very interesting. I was particularly surprised by Jamaica's estimate that I found very, very low. But I guess that's part of the nice stuff. They construct their own data. It's particularly -- it's consistent. So it's good to know that there are numbers and maybe there are some kinds of -- the numbers that are floating around and could not be that precise.

I think that's a very good contribution. The data collection alone I think is a great, great accomplishment, regardless of all the excellent stuff that comes after the data collection.

There's a broad analysis of the effects that I think is really good, the health and location, the attitudes, and that I think is also a challenge because there's a lot of information in there and I think that they're doing a very good job in, like, when looking at so many dimensions, trying to disentangle which one of the channels is doing what. And I think that's where there is a lot of stuff to do, but it's (inaudible). And also the fact that it's sort of coordinated across different countries gives a good sense of like what are the differences around there, particularly here in the U.S. a lot of the discussion is centered on Mexicans or Central American or Caribbean people coming. But there are a lot of differences. Within South America there's a fair amount of flows, probably they pale in comparison to the flow of Mexicans or Salvadorians coming to the U.S. and maybe they're very different.

For example, the flow of people from the Philippines moving in the region. The Philippines is a country that is not in the study, but it is a country that has a very, very large and very, very peculiar characteristics of their immigration. So I think it's very interesting to find that they can actually have some sort of comparison there.

And the open questions that I kind of already put a little bit there is the fact

that there is a lot of heterogeneity. So one of the questions that came to my mind looking at this is if there is any connection between the heterogeneity in the results with the heterogeneity in the motive for migration. And what I'm thinking there, well, maybe the destinations are different. Okay? So maybe if people are moving south-south, it's very different from people who are going south-north. And by the way, south-north may not be a very good description of the direction in which people are moving because a lot of the countries we are looking at -- it's probably actually moving south-south, but going to more developed countries within the south.

Fiji, for example, my guess is that you're going to have a lot of flows going to New Zealand and Australia, and Vietnam they're probably only within the region or going to the Middle East too. So there's a significant wave of heterogeneity there.

Why that matters is because maybe (inaudible) are different. So basically, for example, in East Asia there are programs that allow women to go work as household workers for a certain period of time. They can come and go, they can have different contracts, but they cannot stay more than a certain number of years in some programs. So they encourage very different behavior than the one Mauricio was emphasizing, like the one, for example, from a woman that comes from Mexico and enters illegally and works in household services in the U.S. And I think is a very interesting difference. So that actually may be (inaudible).

If I'm going for two years and I'm coming back, maybe I'm not going to send that much money because I'm going to bring most of the resources back with me. So are those remittances sort of counted there or this is sort of a one-time flow that comes with a person. I think that's very important.

The different motives reflect different migrants. In a certain way what I want to say here is that the average migrant in different countries, it might be very different and

the marginal migrant might be very different, too. And I think that is sort of reflected there. And I think that sort of, like, could give us a little bit more of a sense of what are the policy implications here. Should we encourage, for example, cooperation internationally? And I think Mauricio raised a good point, but let me raise another one.

So, when a Mexican or when anybody comes illegally to the U.S., crossing the border from Mexico, they're paying a cost. Most of the time they're paying a huge financial cost. And so when you talk about legally and illegally, there's also the problem of transfer. Am I paying the coyote or am I paying the government for the right to enter? So there is a lot of scope in terms of engaging in sort of bargaining with other countries, but that has to be together with internal bargaining and deciding what to do. So people are coming because they're seeing a benefit. If they're willing to pay many thousands dollars to a coyote, well, it's because they think that even after paying that they're better off.

So one question that I kind of want to raise here is why is the U.S. against giving the money to the coyotes and not sort of bargaining with Mexico for a program so that these people can pay? They're going to come anyway probably, but why do we force them to do it through tunnels? Why do we force them to do it in like sort of shady ways? Why don't we engage in a program that is actually sort of very low rate and allows them to bargain for their benefits? If they're coming, it's because they're benefitting. The U.S. is also benefitting from that. Okay? So I think that there is scope for that there.

Why do I think it's important to separate remittances from migration? One, because if we go back to the very basic economic theory, there is a very good reason to think that the effects of migration and remittances can go in opposite directions for a same variable. So let me give you an example. You have an absent parent and you have increasing expenditures due to income for remittances. Can they have opposite effects? Yes. You would think that the parent being there, for example, is going to provide some sort

of like supervision that the kids are going to go to school and actually do their homework.

Now, very poor people, you may ask the question whether they're going to do that, but what if the remittance is being set back actually allow the family to sustain a certain level of income without the children having to engage in work? So that could actually have radically different effects. And so that's one of those things.

The other thing that could be going on there is, for example, labor supply. The father and the mother leaves, there is a drop in income, so there could be pressure for actually going and supply labor. But then the income from remittances has a wealth effect and that potentially goes in the other direction. So some of the like negative effects and positive effects may actually come from the fact that something is stronger than the other and that could be different because of different models and different destinations. But I think it's very interesting to sort of explore that.

Why is it important? For example, like, work from Carolina Gonzales of them University of Maryland actually tries to estimate at the same time the cause and effects of migration and of remittances. And actually some of her research for agriculture in the Philippines show that the effects of these two things can go in opposite directions. For example, in capital intensity and shares of crops in agriculture. So there is some evidence out there that says that this could actually be going on.

Okay. And one of the other things that can happen is actually we have to differentiate what is a stock from a flow. And I think that's also fundamental for migration and remittances. I may have a huge diaspora from 20 years ago, maybe no one is leaving the country right now, but that diaspora may be sending a lot of money. So when I'm thinking about basically what is the development effect of migration, one way is to start thinking about, well, when I'm thinking about that I'm going to use diaspora abroad, for example. We're going to use the Haitians who are in the U.S. or in other parts of the world

to help us rebuild Haiti, or we're actually going to encourage Haitians who are currently in Haiti to leave the country.

The policy implications, like basically a policy measures that encourages both things are very different. And I think that's actually sort of connected to that. Remittances might be more immediate in some respects; migration might be more immediate effects in some other variables. And one thing that just came to my mind when I was sitting there is that you may also want to separate what are the different things. I'm basically picking on the attitude stuff. So it just came to my mind like many, many years ago I remember watching a probably a TV movie, but it was about the experiences -- basically a fictional movie -- that took the experiences of North Ireland kids, so Irish kids. They're coming to the U.S. in sort of an exchange program. And I remember that the first thing that came to my mind there was like, one of the kids basically gets in the car, the hosting family -- the hosting family is a very young couple and it's a mixed couple. What is tricky is like it was not a mixed couple of race. The kid was completely shocked that a Catholic and a Protestant were married and not shooting each other.

So exposure to like ideas can be very powerful. There is research, for example, by Antonio Spilimbergo at the IMF that shows that people who study abroad and come back, their exposure to democratic ideas may actually affect their role and their participation in their home country when they go back. So, the brain-drain may actually have some flipside which is like these people are probably going back and they're bringing knowledge, but they're bringing also some sort of like knowledge that is not taught in the university necessarily. We can probably come up with a zillion of counter-examples, but I'm just trying to kind of emphasize a point.

What are adjustments? I don't know if this is done in any of the cases, but there is potential for having some spillover or general equilibrium effects. What I'm thinking

about here is if I have 10 percent of a village -- 10 percent of the young men from a village leaving -- there's a potential effect for wage effects for changes in the structure of production. And those are effects that could be important. And those are not necessarily reflected in the questions to the households. So when I look within a household, even those who don't have a person living abroad, may actually be experiencing some of the effects -- the development effects of migration. So I think it's very important to sort of look at that.

From my own experience and reading and doing some work, for example, with the U.S., which by the way the big immigration wave in the U.S. is not happening now. It happened like 120 years ago. So looking at that particular wave, for example, we see that the inflows of immigrants changed, for example, the crop choice of agriculture in the U.S. around the turn of the 20th century. It's also true and it's also found in some of the countries that are sending people abroad now.

So there's potential effects for all kind of adjustments. It might be important when we're thinking of like a macro picture. From our research, for example, we have found that the low-skilled immigrants coming to the U.S. are, for example, affecting the labor supply decisions of very highly educated women. Why? Because they are basically substitutes for some work at home that actually can be done and they can be hired in the market. And that's basically low-skilled immigration. So there is some stuff.

And also there is some research that basically shows that the long and short run effects of immigration can be different. And so maybe there is no scope for that, but if you can gather again all your circles together you can do a follow up survey in a couple of years and see what's going on because I think that's very important. And what I'm thinking about there is like the incentive effects are likely to take long to kick in. So if, for example, we have a very good and very nice design policy that allows me to go and come back to have some sort of return migration, that can be very different.

I remember seeing some numbers that show, for example, in Hong Kong, Filipino women that go there to work as household workers, some of them are actually more educated than the women who are hiring them. Why? Because the Filipino women prepare and study to be able to go and work abroad. Okay. Evidence in Fiji where like there is a very big inflow and like very high increase in human capital position just because of the incentives from migration.

So I think that's very important. And I think there are a lot of questions sort of floating around there. And that's something that I think is really nice about it. It's just pointing and making it very, very clear with very, very nice done work that migration is not one, like a stereotype. It's very different. And I think that's really important.

So those are basically the things I wanted to say.

MR. CÁRDENAS: Thank you. Thank you very much.

MR. TESSADA: And I really hope to read the nice reports later.

(Applause)

MR. CÁRDENAS: We have about five minutes before we close the session so I'd like to ask those of you that want to make comments to -- yes, please.

SPEAKER: So what we indeed hear is it's very different, very complicated, and it's very difficult to indeed draw any general conclusions. But still what I would like to ask is, in very gross terms, former immigration certainly up to the '50s, '60s, was clear that the immigrants, especially low-skilled, would make sure the children would have better education. Here we have heard about this, you know, the impact of remittances and that in some countries there was better education and others not. But I have not seen anything about the migrants who stayed with their families or brought their families. Did they have the same kind of incentive to have their children highly educated? Or do we have evidence of that?

MR. CÁRDENAS: Good. Anyone else? Yes, in the back.

SPEAKER: The Migration Policy Institute recently released a report about the very active role that the Mexican government is taking in the United States to respond -- to provide social protections to a lot of their citizens living in the U.S., which is a very concentrated Diaspora. And I'm wondering if any of the panelists, and especially through this study, if you observed sending governments providing any of those services in other situations -- providing social protections? And especially regarding the legality -- illegality issue that came up earlier. That seems to be very important.

MR. CÁRDENAS: Thank you. And one last question here.

SPEAKER: Hi. I have a question about remittances. And I wondered if you think that it would be successful to implement a policy where the government could start intervening in the management of remittances and probably leading those remittances to public infrastructure and investment in the countries -- developing countries.

MR. CÁRDENAS: Good. All right. Well, let me give the microphone back to Laura. But before I do so let me make a comment that is related to your question and others. Laura said I participated in the project, especially working with the Colombia data. So let me give you a sense of the issues by looking just at the evidence for one particular country.

Think of this. We're trying to assess the effects on the households that have some migration experience. Migration experience can be either people that have left and are still absent, or people that left and came back. We're also going to assess whether there is a difference in terms of the household socioeconomic status depending on whether it receives or not remittances. Remittances can come from people that have nothing to do with the household directly -- people that did not live in the house. Remittances can come from relatives that were not in that household in the past. So this is the way, I think, to describe why these are different phenomena.

Overall, and this is a very broad generalization, what we found is that the case that shows the best results in terms of location, health, social values, gender relations, well being in general, are the cases where there is return migrants. So more than the money that can come, more than having a relative or a former member of the household sending, is the fact that this person comes back with a new set of capabilities. Human capital, values, et cetera. Those are the households that are relatively better off compared to the others.

In the other cases it's not that clear cut. Some dimensions are better; some dimensions are worse. But it's the return migration. So that's why it's important to be able to facilitate that flow of people that can come back, you know, with some extra capital. That's what we found in the particular case of Colombia.

MR. CÁRDENAS: Laura.

MS. CHAPPELL: Thank you. I'll work backwards. On that comment about Colombia and returnees, it's worth stressing that is found across most of the other countries as well, but not consistently. And the one that springs to mind for me is Ghana where they actually have a phrase in everyday language, which is called "bugaloose", which means migrants who have been abroad, they come back and they revert to the way that people behave in Ghana who haven't been abroad. So the idea is that whilst they may have been different while they were away, when they come back they don't act differently. And it was really interesting to see in the Ghana data that is also borne out on the whole. Not across every indicator, but say compared to the Colombia study, the impacts of return went as positive at the household level. So that was quite interesting.

In terms of trying to intervene in the remittance relationship, I think generally that's not the way to go in terms of what we found in our research. For example, we actually asked people whether they remitted or acted as a group already. So rather than just being

an individual remitting to a household we asked people, for example, do you remit to an institution? Do you remit to a school? Or a health facility? Or a church or a mosque? Or whatever it was, because that's quite a bit of discussion about this in the literature and the idea that people might get together and work communally. But actually we found almost none. So the scale of sort of people remitting -- getting together collectively and remitting collectively is really tiny compared to the scale of an individual remitting to a household. Now, that's not to say that it couldn't be encouraged in some way, but I think we're a long way from being in that situation.

And from experience sometimes with the countries' situations, I think the most effective policies in this area appear to be those which, for example, help households to have financial service -- access to financial services and training in terms of financial service use. So, for example, in Fiji there's been quite a good initiative there where UNDP has actually worked to provide households with information about financial services and then tried to work with banks to get services into areas where people receive remittances. So you can link up the fact that people are receiving remittances and existing financial services, but not actually intervening in people's decisions about how they use their money.

In terms of social protection programs, they're not as big an issue for most of the countries that we looked at. Vietnam is probably trying to do the most in this area. But I think the Vietnamese researchers in their report are quite critical of how far this has actually gone. Actually there's a lot more room to be done in terms of providing social protections. So I think, sorry (inaudible), but the countries in our study are much less (inaudible) than say Mexico or the Philippines, but some of them are trying to move in that direction.

I think the question about educational outcomes for children who migrate, I don't -- we didn't look at that in our study. I don't know if José has looked at that in his research.

And then just picking up a few of the points that you raised. In terms of the spillover effects, you're right. I mean, we mostly looked at households. I mean, one category's spillover effects, which isn't really a spillover effect at the community level, but we did look very much at the impact on households, not just households with migrants, but households who receive remittances, which is, of course, a broader (inaudible).

And then some of the sort of spillover effects I think can be inferred. So, for example, increases in business ownership you can pretty much infer that that has a positive impact at the community level. But in terms of sort of rigorous examination of community effects we didn't do much of that.

But it's worth noting that the sampling strategy we used, we used clusters. So rather than spreading the households we sampled very broadly across the country, we went into particular communities and focused. So you -- it should be possible to compare community against community in using the data, but no researchers have done that yet.

And it's worth noting that the data will be made publicly available in the middle of this year for free, so if anybody wants to take up that analysis, that would be great.

MR. CÁRDENAS: Write me down on the list.

MS. CHAPPELL: And just lastly, yes, we would like to do a follow-up survey.

MR. CÁRDENAS: All right. Well, thank you very much. I want to thank all the panelists and the public as well for your attendance. I think it's been a very interesting event. Thanks to Jeni, who made it from New York, and Laura, who came from London.

We're going to continue working on this area and we look forward to your participation at future events. Thank you very much.

* * * * *

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

/s/Carleton J. Anderson, III

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2012

ANDERSON COURT REPORTING
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190