

Managing migration for whose benefit?

The global impacts of UK migration policies

Dhananjayan Sriskandarajah Associate Director Institute for Public Policy Research (ippr)

London, 7 November 2006



Which of the following does not feature in today's points-based system?

- a) Extra points for highly qualified applicants
- b) Extra points for high earners
- c) Extra points for younger applicants
- d) Fewer points for people from poor countries affected by brain drain



In our random sample of UK work permits issued in 2005, the average healthcare worker came from a country with a human development equivalent to:

- a) Jamaica
- b) Philippines
- c) India
- d) Gabon



How many times do the DFID and World Bank Sri Lanka country strategy papers mention migration between them?

- a) More than 10 times
- b) Between 5 and 10 times
- c) Fewer than 5 times
- d) Never



When the UK Prime Minister meets the Sri Lankan head of state for private bilateral meetings, which issue is apparently discussed most often?

- a) UK development assistance
- b) Nominations for the UN Secretary General
- c) Addressing brain drain from Sri Lanka
- d) Returns agreements for failed asylum seekers



'As well as working hard, often in low paid jobs, and supporting themselves and their family, many Africans in the UK send money back to their country of origin... helping development in Africa.' Which of these Daily Mail headlines might describe Harriet Harman's statements?

- a) 'REMITTANCE RIP-OFF'
- b) 'Cant earn a living in Africa? Come live off us' says Minister
- c) Immigration: bad for UK, good for Africa
- d) Harman's hairbrain idea: earn in London, spend in Lagos



Key questions for this session

- How do UK migration policies shape development outcomes in sending countries now and into the future?
- What more could be done to ensure that these policies are 'development-friendly'?
- Can development concerns be 'mainstreamed'?
- Can the public be convinced that the benefits of migration should be seen holistically?



Migration can have mixed impacts on development outcomes

Potential positive impacts

- Increased global economic efficiency
- Good for the individual (in most cases), especially where there are new opportunities for workers not available in the home country.
- Inflow of remittances and foreign exchange benefiting receiving individuals and countries.
- Emigration may reduce unemployment in some sectors in sending countries.
- Technology, investments and venture capital from diasporas
- Leads to increased trade flows between sending and receiving countries
- Possibility of emigration may stimulate investment in education and individual human capital investments
- Charitable activities of diasporas can assist in relief and local community development.

Potential negative impacts

- Loss of highly skilled workers and reduced quality of essential services
- Reduced growth and productivity
- Lower return from public investments in public education
- Selective migration may cause increasing income disparities
- Sending country loses potential tax revenue
- Risk of creating a "remittance economy" and dependency among receivers, a problem exacerbated when remittances diminish over time
- Inflationary potential of remittances, especially on real estate, in some areas
- Reduces the size of "political classes"



So what could policymakers do to shape these impacts?

- 1. Adopt codes of conduct (e.g. on recruitment)
- Encourage bilateral temporary migration agreements
- 3. Encourage retention in 'brain strain hotspots'
- 4. Increase fiscal transfers to developing countries
- 5. Encourage circular migration
- 6. Lower the costs of remittance transfers
- 7. Use remittances to strengthen financial systems
- 8. Enhance the impact of remittances
- 9. Enhance the role of the diaspora



But why haven't they done more?

- UK immigration policy should serve UK interests, not other countries' interests
- UK immigration policy is made by the Home Office
- Its already difficult enough to make the case for immigration; arguing that immigration is good because it benefits immigrants' home countries is political suicide
- There is no clear, discernible impact of migration on development; migration scholars have simply invented a new area to work on
- Worse still, scholars haven't come up with what works
- Even if migration does impact on development, tweaking migration policies is not going to make much of a difference
- Incorporating development concerns into migration policymaking would reinforce already unequal entry regulations and result in 'compassionate racism'
- International cooperation on migration is not easy



Challenge 1. Mainstreaming migration into development policies

- Despite attention to migration-development nexus, migration has yet to be 'mainstreamed' into development policy.
- No agreement on what sort of impacts migration has on development in sending countries or on what sorts of measures practitioners should take to address those impacts.
- No agreement on whether simply to focus on structural factors such as bad governance and inadequate infrastructure, or whether to tinker with individual migration decisions.



Challenge 2. Mainstreaming development into migration policies

- Lack of 'joined up' policymaking
- Perhaps because of inherent tensions in policymaking on migration and development.
- Development policy carried out by DFID; asylum and migration policy done by the Home Office;



Challenge 3. Building broad partnerships

- Need to build partnerships between sending country government, receiving country government, diaspora communities, NGOs etc.
- But these actors don't always trust each other (e.g. diaspora/government; diaspora/development professionals)



Discussion question

Which of the following is the most effective and most feasible policy option for the UK?

- a) Restrictions on highly-skilled migrants from from particularly vulnerable countries (e.g. recruitment code or numerical quotas)
- b) Additional temporary low-skill migration programmes from poor countries
- c) Increased development assistance to bolster wages and conditions of key workers in vulnerable countries
- d) Re-allocation of some tax collected from some highly-skilled workers to development programmes in countries of origin



Conclusion: Managing migration in everyone's interests?

- Migration involves sending/transit/receiving/secondary countries, migrants, diasporas, et al. so 'managing' migration necessarily must account for all of these actors and interests
- If policy makers are ever going to 'manage' migration they will need to correct developmental inequalities (and disparities in political conditions)
- There is significant risk that the poorest countries may get stuck in a 'migration trap', with brain strain, few incentives for return or circulation, little potential for productive use of remittances etc.
- Given demographic trends, importing workers (including highly-skilled ones) will continue better to ensure a sustainable supply
- For developing country leaders, migration offers important benefits and risks for promoting sustainable development
- All this will need better empirical evidence and a new methodology for understanding impacts (especially net impacts)



Managing migration for whose benefit?

The global impacts of UK migration policies

Dhananjayan Sriskandarajah Associate Director Institute for Public Policy Research (ippr)

London, 7 November 2006



Number of UK work permits issues, selected countries, selected years

	1995	1999	2003
All Nationalities	24161	41950	85786
Australia/New Zealand	1575	3790	6803
Canada	923	1530	1949
South Africa	659	3306	6267
India	1997	5663	19964
Philippines	66	2254	5921
China	657	1064	4077
Malaysia	296	755	2217