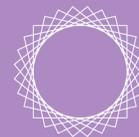iied

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The challenges of managing migration

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Migration and urbanisation are driven by economic growth and social change, but also by deepening inequalities. Managing migration should not be equated with curbing it, as this inevitably reduces migrants' rights. But managing population movement whilst respecting the rights of migrants and non-migrants, supporting the contribution of migration to poverty reduction and economic growth in sending and receiving areas and reducing the human and material costs of movement means that fundamental challenges need to be addressed.

In 2000, over 150 million people were living outside their country of birth or citizenship, a figure roughly double that of the mid-1960s. According to World Bank estimates, in 2002 international migrants from low-income countries were sending home $80 billion in remittances, nearly double the level of aid-related flows ($49 billion) and second only to FDI (some $143 billion). Whilst there are clear benefits from international migration for both sending and receiving nations, in many of the latter there is growing pressure to put tighter controls on the numbers of people who move.

Throughout the world, the proportion of people living in urban centres has also risen significantly, from only 15 percent in 1900 to nearly half by 2000. This is expected to increase, especially in Africa and Asia where close to two-fifths of the total population now live in urban areas. The immediate cause of virtually all urbanisation is the net movement of people from rural to urban areas. Whilst urbanisation brings many benefits to national economies and is closely linked to economic development, there is concern in many low and middle income nations that rural to urban migration contributes to urban poverty and to the uncontrolled growth of megacities.

What drives migration and urbanisation?

In low and middle income nations, urbanisation is overwhelmingly the result of people moving in response to better economic opportunities. It is often assumed that most migration is from rural areas to urban centres; however, in many nations rural to rural movement is on a larger scale. But the general increase in rural to urban movement is not surprising, since most of the growth in economic activities in all regions of the world over the past 50 years has been in urban centres.

International migration is also driven primarily by differences in economic opportunities. Large-scale movement from the South to the North relies on a supply of labour in low and middle income nations, but also on demand in richer countries. Whilst increased access to information and transport, often through well-developed migrant networks and increasingly through brokers and smugglers, facilitates international movement, there should be no doubt that in the majority of cases migrant workers are needed in receiving nations.

Migration, urbanisation and globalisation

Migration and urbanisation are not 'new'. Similar proportions of the world's population left their countries of birth in the 1800s and early 1900s, especially between (and within) Europe and the Americas. Many industrialised nations witnessed extremely high urbanisation rates in the 1950s and 1960s, with large proportions of their populations moving out of agriculture and into urban centres. But until a few decades ago both migration and urbanisation were seen as positive

KEY CHALLENGES:

- **Recognise and address the ways in which national economic growth strategies, foreign direct investment flows and international trade agreements shape population movement and distribution between and within nations.**

- **Ensure coherence between migration policies and labour market needs and controls to avoid the emergence of informal labour markets where employers prosper at the expenses of unregistered migrant workers.**

- **Support migrants' investment in home areas by addressing issues of credibility, trust and legitimacy of government institutions, and security of tenure for land and property.**

- **Ensure civil and political rights for all low-income groups in sending and receiving areas, to avoid deepening inequalities between migrants and non-migrants.**

elements of modernising economies and societies, while they are now viewed as increasingly problematic. How did this happen?

The movement and distribution of population in recent decades have been increasingly shaped by processes of globalisation. Significant improvements in communications and the declining cost of travel mean that it is easier for people to move within or outside their country – and also to return if things don't work out. But globalisation also appreciably deepens inequalities, especially between the rich and poor regions of the world. It is therefore hardly surprising that the key transformation in international migration has been the unprecedented involvement of large numbers of people from low-income nations. Deeper cultural differences and less interest in 'integration' in host societies are a cause for concern, expressed in the rise of the 'immigration problem' on the political agenda in many Northern societies.

Internal migration and urbanisation processes in low-income nations tend to follow economic growth, especially in non-agricultural sectors. However, they are also linked to declines in farm incomes due to terms of international trade that favour subsidised Northern producers, against whom local family farmers cannot compete either on international (export) nor on domestic (import) markets. Rural-urban migration caused by rural poverty inevitably results in increased urban poverty, which is more likely to create social and political instability.

Managing migration: competing interests and emerging challenges

Migration (internal and international) is likely to remain significant and possibly increase in the coming decades. Managing migration should not be equated with curbing it: efforts to control internal and international migration are often based on reducing migrants' rights, and have inevitably increased hardship for migrants, expanded illegal smugglers' operations and encouraged exploitative employment practices, without reducing the numbers of migrants.

But managing migration whilst respecting the rights of migrants (and non-migrants), supporting the contribution of migration to poverty reduction and development in sending areas and nations, and aiming to reduce its human and material costs, presents several challenges.

1. Address the key factors underlying income inequalities within and between nations

Managing migration must include tackling the ways in which the global context shapes population movement. As long as low-income nations' comparative advantage in manufacture is primarily cheap labour, foreign direct investment will continue to flow to areas where workers, often migrants, are poorly paid. This reinforces internal and South-South cross border movement (the largest categories of migrants). Unequal terms of trade for agricultural commodities displace family farmers, undermine the economic base of small and intermediate urban

centres – where over half the world's urban population lives – and fuel migration to large cities in the South. National economic growth strategies and international agreements rarely consider their impact on population movement and distribution; doing so would make them more effective and equitable.

2. Ensure that migration policies are coherent with labour market needs and regulations

Migrants move to where there is demand for workers. But if migrants are 'illegal' because of restrictive migration policies, they are at a disadvantage in the labour market, and open to exploitation. In Italy, the rates of workplace injury and deaths have declined among local workers, but greatly increased amongst undocumented migrant workers. In China, it is not uncommon for unregistered internal migrants to be paid with months' delays, or not at all. In high and low-income destinations alike, migrant women working as maids and carers are particularly vulnerable to exploitation. The emergence of 'informal' labour markets where employers prosper at the expenses of migrant workers should be a major concern for policy-makers, both in relation to workers' welfare and to employers' taxation.

3. Support migrants' investment in sending areas

In recent years migrants' remittances have become the 'new development mantra'. Migrants can contribute to poverty reduction, but there is ample evidence to show that they do not invest in the poorest areas, even if they are their homes, but in areas with at least minimal infrastructure and services. These must be provided by national and local governments. Migrants also contribute to development activities in home areas. However, to realise their potential as a source of development funding, it is imperative to address issues of credibility, trust and legitimacy of government and non-governmental recipient institutions. It is also important that migrants have security of tenure for land and property: migrant women, who tend to send more remittances than men, may lose their contribution if their rights are not recognised and upheld.

4. Ensure that migrants and non-migrants alike have a voice in destination and sending areas

Poor people do not have the resources to migrate to the most desirable destinations. Migration and its financial benefits can deepen inequalities between poor and wealthier groups in sending areas and increase competition over scarce resources. Effective institutions and regulatory frameworks need to be in place and accountable to both migrants and non-migrants in sending areas. In destination areas, migrants' representation in local government institutions has proved to increase protection and integration. In urban centres in the South, especially in nations with controls on internal movement, access to services and housing can be difficult for migrants. However, restricted civil and political rights present major problems for all urban poor groups, regardless of their migrant status, and expanding them is essential for the reduction of urban poverty.