

In Joseph Stiglitz and Narcis Serra eds.
The Washington Consensus Reconsidered: Towards a New Global Governance
Oxford University Press, Oxford, 2008

INTERNATIONAL MIGRATION AND ECONOMIC DEVELOPMENT
Deepak Nayyar

Abstract

This essay situates international migration in the wider context of the world economy to analyze what it means for economic development, with an approach and focus which represent a departure from the conventional literature on the subject. It begins with a historical profile of international labour migration during the second half of the twentieth century. It examines the underlying factors with an emphasis on structural determinants at a macro level. It argues that globalization has set in motion forces which are creating a demand for labour mobility across borders and is, at the same time, developing institutions on the supply side to meet this demand, to suggest that the ageing of industrial societies may reinforce this process through demographic change and population imbalances. In the international context, it highlights some important asymmetries - between the free movement of capital and the restricted movement of labour, legal migration and illegal immigration, migrants' rights and labour standards - which need to be addressed. The essential point to emerge from the discussion is that migration has significant implications and consequences for development in home countries, not only for output and employment but also for growth and development. In shaping distributional outcomes, remittances are the most important channel of transmission, while the impact of international migration on income distribution within and between countries depends on the skills composition of migrants. In conclusion, the essay suggests that it is worth contemplating a multilateral framework for immigration laws and consular practices that govern the cross-border movement of people.