

A WORKING DRAFT:

RETHINKING DEVELOPMENT AND MIGRATION **SOME ELEMENTS FOR DISCUSSION**

Discourse and attention on international migration have focused on a “migration and development” paradigm over the last several years. Nonetheless, this discussion has neither articulated a clear definition of development nor made linkages with basic elements and processes of *development* articulated in development discourse. Rather, the *migration and development* discussion has focused attention on only a few features of migration characterized as development links. While important, these links may be secondary to the fundamental elements and processes of development. The migration-development discussion often simply omits the key role and contribution of migration as international labour and skills mobility that enables, sustains and advances development of both employment and origin countries of migrants.

A view on *development*

For this note, a useful if abbreviated notion of “development” is:

the elaboration of productive means, forces, and capacities to provide goods, services, technology and knowledge to meet human needs for sustenance and well being.

Elaboration of these material means and capacities is, of course, the foundation for human development; *development* in a human context also depends on distribution of goods, services, technology and knowledge to all peoples and persons.

The evolution of values underlying governance of societies established a universal expectation that all persons have rights to access a minimum level of sustenance in ‘decent’ conditions. It is also asserted that equity in access to resources and means of well being is ultimately necessary to ensure cohesive, democratic, peaceful and sustainable societies.

The foundation of development is bound up in building the material means for: extraction and transformation of resources; production of goods, services and technology; constructing infrastructures for transportation and distribution of resources, goods, services and people; and providing for human well-being in terms of housing, nutrition, healthcare, education and culture in its broad sense.

Elaborating these material means requires ‘developing’ the labour force and its skills to do all this as well as to expand technology, knowledge and capital itself.

The ‘development’ or elaboration of national and international systems of government over the last century recognized that governance of societies and nations required regulation among conflicting and competitive interests at play in elaboration and operation of the productive means, and for distribution of goods, services and knowledge.

The economic processes of industrialization clearly required normative regulation as well as stimulus to provide protection for persons engaged in work; to provide employment and occupation for the adult population; to ensure social protection; and to facilitate dialogue between the main economic actors in society: employers and workers.

The evolution of ever more complex material and economic means, technology, demographics and social-political factors has given rise to increasingly internationalized interdependence, interaction and mobility of these material and economic means as well as of technology and knowledge.

Globalization and regulation

Consequence and stimulus at the same time is an increasing 'globalization' of capital flows, economic processes, resource exporting and technology transfers. As well: changing location, structure and organization of the work required to produce and distribute goods, services and knowledge.

These processes have been both stimulated and regulated not only by 'market forces' of capitalism, but also by construction of international systems of: rules, standard setting, monitoring and promotion agencies, conflict resolution mechanisms, and public promotion. The World Trade Organization (WTO) and the General Agreements on Tariffs and Trade (GATT) processes are the most visible and ever wider-reaching: setting, regulating and enforcing conditions of international commerce, trade and economic competitiveness. The World Intellectual Property Organization has systematized global rules for protection and circulation of technology. The International Standards Organization (ISO) has elaborated common norms in ever expanding areas of technology and knowledge essential to production, infrastructure, service, transportation, and distribution activities. However, international flows of capital itself -the fundamental element for financing development of extraction, production, distribution, and services—have not been regulated. Some analysts attribute the nature, depth and breadth of the current global financial and employment crisis to this lacuna.

Imperative for internationalized skills and labour mobility

At the same time, evolution and diversification of technology along with transformations and relocations of industrial processes and changes in the organization of work itself are constant characteristics of the world of work today. This constant evolution requires accelerating complexity, diversity and specialization in the competencies and skills of work forces in each and every country.

No country today can form or train the entire range and number of ever-evolving skills and competencies needed to perform the ever more complex, inter-related work that needs to be done on its territory to function in a globalized economic context. The result is demand for specialized skills not available locally. Some of these demands cannot be met locally: skills needs evolve more quickly than training systems, displaced and older workers cannot always be retrained for new technologies and skills sets. Even if disposition exists, the technological basis, the facilities, and available specializations may not be adequate. In some countries, the allocation of resources, the technological basis, and/or the disposition of training policy and institutions is not available.

This context drives today a constantly increasing and now globalized international mobility of skills, competences and labour at all skill levels.

For a now rapidly expanding number of countries, this dilemma is compounded by demographics, where the size, composition and age profile of the entire 'native' work force is declining in

number, increasing in age, constricting in breadth and renewal of competencies, and diminishing relative to increasing numbers of retired people dependent on contributions of the active work force for social security.

Already today for a majority of countries around the world, migration –international labour and skills mobility-- has become the key factor to sustaining and renovating essential processes of development: production of goods, services and knowledge, distribution, including notably construction of facilities for and provision of housing, education, healthcare and transportation.

Migration serves as an instrument to adjust the skills, age and sectoral composition of national and regional labour markets. Migration provides responses to fast-changing needs for skills and personnel resulting from technological advances, changes in market conditions and industrial transformations. In countries of aging populations, migration is replenishing declining work forces and injecting younger workers, in turn contributing to increased dynamism, innovation and mobility in those work forces.

ILO calculated that 105 million of the 214 million people living outside their countries of birth or citizenship in 2010 are economically active. That is to say: employed, self-employed or otherwise engaged in remunerative activity. That is about half of the total number and a very high proportion of those of working age. Given an estimate of one accompanying dependent for each active adult, over 90 per cent of migration today is bound up in labour and employment.

These figures undercount migrant labour since they do not account for short-term temporary or seasonal migrants, such as Uzbek workers in Kazakhstan, Guatemalans in Mexico, Mozambicans in South Africa, Poles in Portugal, Jamaicans in Canada, to cite a few examples of workers who go by the thousands –even tens of thousands—in each of these and many other cases to usually nearby countries for a few months each year.

International mobility of skills and labour is already making vast but unsung contributions to development measured by economic growth for more than 100 countries by providing skilled labour, new technological competencies, labour force to sustain otherwise unviable sectors or enterprises, otherwise unavailable health care, not to mention large shares of labour activity in entire sectors of agriculture, construction, hotel and restaurant, cleaning and maintenance, and tourism.

Economic contributions and the employment characteristics of migrants are central to labour markets and labour force composition, in more than 100 countries today. For example, foreign born workers now comprise about 10% of labour forces in Western European countries and around 15% in immigration countries of Australia, Canada and the USA. Taking account of the first and second generation offspring of immigrants arrived since the 1960s would give figures of around 20% of work forces “issue de l’immigration” in a number of Western European countries.

Labour/skills circulation regimes

Labour circulation has become a crucial and recognized key to regional integration and development, whether among the members of the European Union, in the East African Community or in South America’s Mercosur. It is key in those areas precisely because it is regulated and harnessed in regional, interstate spaces of economic and social integration.

Only such spaces of larger markets, larger resource bases and larger labour forces are able to meet the competitive demands in a globalized world. These spaces obtain the larger pools of capital, resources, skills and labour necessary to achieve competitive economies of scale and viable markets. Building 'common markets' means building economic, political and social cooperation. Migration is fundamental pillar for such cooperation. This means freer circulation of labour in larger markets to better link capital and labour, essential to obtain the most productive use of both labour and capital.

No small states in any part of the world have the size of populations or economies to be competitive in globalized market conditions dominated by 'giant' countries –China, Japan, USA, now also Brazil and India, and regional cooperation regimes notably the European Union. None alone have the diversity and extent of skills necessary to fill employer needs and run rapidly evolving production or service industries. None alone have markets large enough to generate economies of scale in production, distribution or services.

Economic integration through freer circulation of resources, capital, goods, services, technology and people is advancing –to greater or lesser degree-- today in the EU and in twelve other regional economic integration processes involving more than 120 countries: Andean Pact (4 member countries); Association of South East Asian Nations -ASEAN (10); Caribbean Community -CARICOM (15); Central America Integration System -SICA/CAIS, (7 members, 1 associate); Common Market for Eastern and Southern Africa -COMESA (19); Commonwealth of Independent States -CIS (11); East Africa Community -EAC (5); Economic Community of West African States -ECOWAS (15); Eurasian Economic Community -EAEC (6); MERCOSUR (4 members, 6 associated States), South Asian Association for Regional Cooperation -SAARC (8 participating countries); and Southern Africa Development Community -SADC (15 members). Some communities overlap with others meaning several countries are members of two regional integration processes.

As has been the EU experience, freer/free circulation of labour and skills is required to advance *development* in all of these, with formal legal accords established on circulation and access to labour markets. None of these circulation regimes function yet to the extent of the regime of the European Union consolidated over 40 years. However, elaboration and implementation of these other regimes have never received merited significant support from development cooperation commensurate with their importance in facilitating economic integration and development.

Lacuna of data versus evolving international mobility

New evidence based on more accurate forecasting suggests that the world may be on the eve of far greater international mobility as factor of viable economic activity. Recent application of a new ILO forecasting methodology shows that China alone will face a deficit of 124 million workers in its labour force within 20 years. This is more than the total today of economically active migrants worldwide. The Russian Federation is currently losing annually some 1 million workers in its domestic labour force. By current trends, the Japanese labour force will shrink 37% over the next 25 years. A recent study suggests that Switzerland will need 400,000 additional workers by 2030.

Meanwhile, Tunisia reached a fertility/birth rate of zero population growth six years ago. Mexico and Colombia reach it in the next year or two. They will soon become net recruiters of foreign

skills and labour, as is already the case with most Western and Asian industrialized countries and other Latin American countries.

While not the only solution, migration is already the single response able to provide a major portion of workers and skills required to maintain sustainable economic activity in many countries –and regional integration spaces.

The current data and the discussion on migration and development focuses on remittances – private individual earnings, on ‘return of talent’ of migrants –albeit modest in reality, and on increased trade and investment in home countries generated by diaspora communities and entrepreneurs.

In doing so, current discourse –and the data on which it is based-- misses almost entirely the essential role and relationship of migration to economic growth and development, particularly in destination/employment countries of migrants. Among the few references related to this role are occasional citations of data on job creation and business expansion directly associated with migrant presence in host countries.

In consequence, labour migration –labour and skills mobility—is not being addressed as the primary factor it is of economic and political integration and thus engine for obtaining development and social welfare. Instead, it remains addressed as a problem of national security, as threat to employment and welfare of ‘nationals,’ as a challenge to social and national cohesion, as economic and social cost, etc. Responses proposed and implemented thus focus on national and restrictive bases precisely when circulation of nearly all other aspects of economic and human activity and commerce –capital, goods, services, technology, knowledge-- are necessarily internationalized and liberalized.

A result is construction of control and restriction regimes that thwart a deliberate and regulated response to growing needs for labour and skills mobility. When labour does move as it must, it is all too often subject to abuse, exploitation and draconian repressive measures. Those who suffer most are the many persons simply obeying –often with little choice—the laws of supply and demand of the globalized capitalist market economy. In this situation, the basic dignity and rights of migrants as workers and human beings are undermined, especially those in irregular situations.

Steps forward

History tells us that migration has been an essential ingredient of growth and development of many countries. However, unless regulated by appropriate laws and regulations, it entails a high cost in violations of rights of persons, in social disruption, in reduced productivity, and lost opportunities for economic growth and development.

However the future is designed, labour migration will be ever more important. And it will have to be governed under the rule of law, with the involvement of its key stakeholders, notably employers and worker unions. In this context, several elements require particular attention:

1. Obtaining *collection and analysis of relevant labour migration and labour market data* to guide policy formulation.
2. *Engaging with social partners* –employers and worker organizations—in migration policy and administration.
3. Setting the *standards-based approach to migration*, in national law and practice, to establish equality of treatment in law, protect migrant –and national—workers, and to

have common and accountable means for international cooperation.

These are the inescapably essential foundations for:

4. Consolidating ***institutional mechanisms for policy formulation and administration of labour migration***, particularly in the ministries responsible for labour and employment
5. Putting in place ***informed and transparent labour migration systems*** to meet measured, legitimate labour needs –in context of a vision for integration and development
6. Enhancing the contribution of labour and skills mobility to the ***global employment agenda***.
7. Providing adequate and current ***vocational education and training*** to meet both national needs and international demand.
8. ***Enforcing minimum decent work standards in all sectors of activity***, to suppress abuse of workers and reduce incentives for recruitment of irregular migrants.
9. Extending social protection, specifically ***social security coverage and portability***, to migrant workers
10. ***Enacting and implementing a plan of action against discrimination and xenophobia***.

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A few References:

Useful websites

ILO International Migration Program (MIGRANT):

<http://www.ilo.org/migrant/index.htm>

Building and Wood-Workers International (BWI) (Good section on migrant workers)

[http://www.bwint.org/default.asp?Issue=Migrant workers and posted workers&Language=EN](http://www.bwint.org/default.asp?Issue=Migrant%20workers%20and%20posted%20workers&Language=EN)

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<http://www.world-psi.org/> See migration page

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