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International Migration: Perspectives from Origin and Host Countries

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Abstract

This paper attempts to describe the trends as well as opportunities and challenges of international migration from the side of both origin and host countries. International migration and remittances are being important as well as debatable issues in current context. Secondary sources of data and information are used in this paper. The opportunities and challenges are analyzed from both sending and host countries. There is no unanimous views among the scholars about opportunities and challenges of migrants in the context of sending and host countries. Remittances have been contributed to reduce poverty level of migrants' households and migration has been contributed to replace the ageing work force of the developed countries. The decreasing working age population due to decreased fertility rate in the context of economically developed countries has been a major policy concern.

Keywords: International migration, remittance, poverty, sending countries, & host countries.

Introduction

Historically, migration was considered and used as a last resort to maintain a moderate living standard which was deemed impossible to acquire in origin countries, and at the time it successfully responded to significant labor needs of the destination countries. International migration, the movement of people across international boundaries, continues to be one of the most important issues of the global policy agenda for it generates enormous economic, social, and cultural implications in both sending and receiving countries. The current global estimate is that there were around 281 million international migrants in the world in 2020, which equates to 3.6 per cent of the global population. Overall, the estimated number of international migrants has increased over the past five decades. The total estimated 281 million people living in a country other than their countries of birth in 2020 was 128 million more than in 1990 and over three times the estimated number in 1970 (IOM, 2022). International migration can generate

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substantial welfare gains for migrants, their countries of origin, and the countries to which they migrate (WB, 2006). Europe and Asia each hosted around 87 and 86 million international migrants, respectively comprising 61 per cent of the global international migrant stock. These regions were followed by North America, with almost 59 million international migrants in 2020 or 21 percent of the global migrant stock, Africa at 9 per cent, Latin America and the Caribbean at 5 per cent, and Oceania at 3 percent. When compared with the size of the population in each region, shares of international migrants in 2020 were highest in Oceania, North America and Europe, where international migrants represented, respectively, 22 per cent, 16 per cent and 12 per cent of the total population. In comparison, the share of international migrants is relatively small in Asia and Africa (1.8% and 1.9%, respectively) and Latin America and the Caribbean (2.3%) (IOM, 2022).

International remittances are financial or in-kind transfers made by migrants directly to families or communities in their countries of origin. Available data reflect an overall increase in remittances in recent decades, from \$126 billion in 2000 to \$702 billion in 2020. Despite predictions of a large decline in international remittances due to COVID-19, 2020 saw only a slight drop (2.4%) from the 2019 global total. In 2020, India, China, Mexico, the Philippines and Egypt were (in descending order) the top five remittance recipient countries, although India and China were well above the rest, with total inward remittances exceeding \$83 billion and \$59 billion, respectively (WB, 2021).

Economic, demographic and political developments coupled with the mounting concerns over the future of labor supply have renewed the attention of policy-makers on labor migration issues once again. Those were the years of a good economic climate, high economic growth and lower unemployment rates in some developed countries. The demographic developments in those countries, on the other hand, tended to imply an ageing workforce and ultimately result in a declining population of working age. In such environment, employers started to experience difficulties in finding workers with necessary qualifications. This meant a renewed interest in services of migrant workers (OECD, 2003). The need for migrants coincided with the growing global unemployment crisis, and the migrants enthusiastically responded to the calls for recruitment by the developed economies.

Objectives

The objectives of this article is to describe trends of international migration as well as to analyze objectives and challenges of international migration from the perspectives of origin and host countries.

Data and Method

This article is based on secondary sources of information. Mainly, major sources of data and information are taken from IOM, WB, OECD, ILO, UN and other migration related organizations. Other research techniques applied in this study are descriptive cum content analysis.

Trends of International Migration

The patterns of the flow of people between countries are widely influenced by international economic, political and cultural interrelations. International economic disparities, poverty and environmental degradation, combined with the absence of peace and security and human rights violations are all factors affecting international migration. Overall, the estimated number of international migrants has increased over the past five decades. The total estimated 281 million people living in a country other than their countries of birth in 2020 was 128 million more than in 1990 and over three times the estimated number in 1970 (IOM, 2022).

The predominant form of migration varies considerably from one part of the world to another as well. In Asia, for example, many migrants move on the basis of temporary labor contracts. In Americas and Africa, irregular migration is far more common phenomenon. Countries such as Australia, Canada, New Zealand and the USA continue to accept migrants for permanent settlement and citizenship, while the countries of the Middle East usually admit international migrants for fixed periods. In Europe, the major preoccupation of recent years has been the arrival of asylum seekers from other parts of the world (GCIM, 2005).

The current global job crisis seems to do nothing but fuel this tendency in the coming years. ILO statistics indicate that in 2005, some 191.5 million people around the world were unemployed, an increase of 2.2 million since 2004 and 34.4 million since 1995. Almost half of the unemployed people in the world are young people. And young people are more than three times as likely as adults to be unemployed (ILO, 2006).

Perspectives from Sending and Host Countries

An Agenda for the Development Round, estimated that an increase of inward movements of equivalent to 3 per cent of developed countries' skilled and unskilled work forces would generate an estimated increase in the world welfare by 156 billion US Dollars, shared almost equally between developing and developed countries (Winters & Walmsley, 2003). This estimation is based upon migration leads to a direct increase in global output and income.

It is safe to say that international migration can have positive impacts on both the

communities of origin and the communities of destination, providing the former with remittances and the latter with needed human resources. International migration also has the potential of facilitating the transfer of skills and contributing to cultural enrichment. This said, one should also maintain that international migration entails the loss of human resources for many countries of origin and may give rise to political, economic or social tensions in countries of destination (Borjas, 1995).

Impact on the Economies of Sending Countries

According to the World Bank, the annual value of formally transferred remittances in 2004 was about 150 billion US Dollars, representing a 50 per cent increase in just five years (WB, 2006). Almost half of these remittances are transferred between countries in the developing world. The leading recipients of remittances in 2004 were Mexico with 16 billion US Dollars a year, India with 9.9 billion US Dollars and the Philippines with 8.5 billion US Dollars (GCIM, 2005).

The top five recipient countries for remittances in 2021 were India, Mexico (replacing China), China, the Philippines, and Egypt. Among economies where remittance inflows stand at very high shares of GDP are Lebanon (54 percent), Tonga (44 percent), Tajikistan (34 percent), Kyrgyz Republic (33 percent), and Samoa (32 percent) (WB, 2022).

In short, remittances now play an essential role in sustaining national and local economies in many recipient countries. Remittances provide an important source of foreign exchange to recipient countries, boost the capacity of the financial sector and help to attract subsequent investment. Remittances evidently provide the most direct and immediate benefits to the people who receive them, many of whom, the World Bank has established, are amongst the poorest members of society (WB, 2006). Remittances help to lift recipients out of poverty, increase and diversify household incomes, provide an insurance against risk, enable family members to benefit from educational and training opportunities and provide a source of capital for the establishment of small businesses.

Recognition of positive impact of remittances on the economies of developing countries is important and must be promoted. In this context, the governments of sending countries must adopt sound exchange rate, monetary and economic policies, facilitate the provision of banking facilities that enable the safe and timely transfer of migrants' funds. They should also promote the conditions necessary to increase domestic savings and channel them into productive investment.

Migration can, however, also result in the loss of the most skilled and best educated

human resources of the developing economies. In other words, brain drain deprives the state of revenue and prevents countries of origin from gaining an early return on the investment they have made in the education and training of those people. Most seriously, when it involves the departure of professionals in sectors such as health and education, migration can adversely affect the supply and quality of essential services.

Mostly, the problems caused by the brain drain in poorer sending countries are enormous. Migrants from developing countries are generally more likely to stay in the host country than migrants from advanced countries (OECD, 2002). According to the International Organization for Migration (IOM), some 300 000 professionals from the African continent live and work in Europe and North America (Devan & Tewari 2001).

Migration has the potential to foster trade, remittances, innovations, and investments in the country of origin. The effects are likely the strongest, and the Diasporas the most integrated, in the receiving countries. Migration boosts the working-age population. Migrants arrive with skills and contribute to human capital development of receiving countries. Migrants also contribute to technological progress. Understanding these impacts is important if our societies are to usefully debate the role of migration

Impact on the Economies of Host Countries

There are conflicting views on the impact of immigration on the economies of host countries. Opponents of immigration believe that migrants steal the jobs and depress the wages and immigration has the potential of producing conflict among ethnic groups. Proponents of immigration, on the other hand, contend that immigrants are not the cause of job loss on the side of local population as they mostly do those works which are considered too menial by their host societies and migrants create added value to the economy since they are also consumers and stimulate the economy which in turn creates new jobs including immigrants has the potential of facilitating the transfer of skills and contributing to cultural enrichment. The governments of the receiving countries seem to give credit to both the opponents and proponents of immigration. Indeed, there is a growing tendency on the part of receiving countries to be more selective in their immigration policies which restrict immigration to highly skilled workers. Countries like Switzerland, United Kingdom, Canada, Ireland, New Zealand have already either introduced such policies or are envisaging to introduce educated and skilled migrants in their countries (OECD, 2005).

Migration has a demographic impact, not only by increasing the size of the population but also by changing the age pyramid of receiving countries. Migrants tend to be more concentrated in the younger and economically active age groups compared with natives

and therefore contribute to reduce dependency ratios. Migrants arrive with skills and abilities, and so supplement the stock of human capital of the host country. More specifically, evidence from the United States suggests that skilled immigrants contribute to boosting research and innovation, as well as technological progress (Hunt, 2010).

Relationship between Immigration and Aging Population of the Developed Countries

Population ageing is defined as the process by which older individuals become a proportionally larger share of the total population. It is a result of demographic transition in which mortality and then fertility rates decline (UN, 2001). According to the UN statistics, the total fertility rate decreased globally by almost half, from 5.0 to 2.7 children per woman in last 50 years, and it is expected to drop to the replacement level of 2.1 children per women in the next half century. Presently, the total fertility rate is below the replacement level in all industrialized countries (UN, 2001,). Aging population has significant implications on labor markets as well. Older people today are significantly less likely to participate in the labor force than they were in the past. Labor force participation of persons aged 65 or over declined by more than 40 per cent at the global level in last half century. In 1950, about 1 in every 3 persons aged 65 or over was in the labor force. In 2000, this ratio decreased to just less than 1 in 5 (UN, 2001). Therefore, migrants from less developed countries; where population growth rate is high is contributing to fulfill deficit human resources in development and social sectors of developed countries.

In addition, immigrants, their children and future arrivals into the labor markets of the host society's as a result migrant workers learn the language and work practices of host countries. They tend to acquire the necessary ability to meet the requirements of the labor markets. Language training, more favorable regulations with respect to the recognition of certificates and diplomas attained in origin countries.

Conclusion

Human-being has a natural tendency to migrate. The reason behind this everlasting tendency has been our quest for a better life, and as long as the need for a better life stays there, we will continue to migrate. Migration to uninhabited lands has not created any potential for conflict since there was no interest to be challenged. International migration and remittances are being more concerned as well as debatable issues from the perspectives of both sending and host countries. However, immigration still takes place and sometimes gives rise serious tensions within receiving societies. Another challenge needs to be met by the governments of host societies is the need to provide migrants and

their families with the opportunities which will help them easily integrate with their host societies. Language training and better participation into the labor markets are particularly important in this regard as such policies will also expand the receiving communities' capacity to digest the current stock of migrants.

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